

KEY TRENDS IN EMPLOYMENT AND LABOUR

Results from the 2nd monitoring
exercise of the priorities of the 5th UfM
Ministerial Declaration on Employment
and Labour – Cross country report

10 September 2025

This report was prepared for ETF by PPMI (part of Verian group).

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PREFACE

This report presents the findings of the cross-country monitoring exercise of the priorities of the 5th Union for the Mediterranean (UfM) Ministerial Declaration on Employment and Labour conducted as part of its implementation. The UfM Ministerial Declaration was adopted in Marrakech in May 2022¹. It consolidates data provided by UfM Member States (UfM MS) participating voluntarily to the monitoring process, and offering an overview of employment policy trends, progress, and good practices.

The monitoring exercise builds on the 2021 pilot monitoring exercise results. The revised UfM Monitoring Framework 2022–2025 incorporates lessons learned from the initial exercise and responds to the evolving needs of UfM MS as well as focused priorities of the 2022 UfM Ministerial Declaration. This includes the reorganisation of the UfM Monitoring Framework from four into three pillars in line with the latest Ministerial Declaration:

- **Pillar 1: More and better jobs** – promoting employment creation and entrepreneurship:
 - Dimension 1: Social Economy
 - Dimension 2: Entrepreneurship programmes
 - Dimension 3: Informal Economy
- **Pillar 2: Inclusive labour markets** – improving access to employment for workers, particularly vulnerable groups:
 - Dimension 1: Youth Participation in the Labour Market
 - Dimension 2: Women's Participation in the Labour Market
 - Dimension 3: Migrants' Participation in the Labour Market
- **Pillar 3: Skills and lifelong learning** – strengthening workforce preparedness and adaptability:
 - Dimension 1: Access, Participation, and Opportunities for Lifelong Learning
 - Dimension 2: Quality of Lifelong Learning
 - Dimension 3: System Organisation

The monitoring process is designed as a voluntary and participatory initiative, as stated in the UfM Ministerial Declaration, fostering a culture of peer learning, policy dialogue, and collaboration among UfM MS. In total, thirteen countries joined the process to date, including Algeria, Belgium, France, Greece, Israel, Malta, Montenegro, Morocco, Palestine, Portugal, Spain, Tunisia (non-participating in this round), and Türkiye. Belgium joined in 2024 and Israel in 2025 both countries for pillar 2 only. For the eleven countries that participated in the 2021 pilot, the second exercise focused on updates, impact of policy measures implementation and targeted support for focal points of volunteering UfM MS.

The process is coordinated by the UfM Secretariat and the European Commission's Directorate-General for Employment, Social Affairs and Inclusion (DG EMPL) with the expertise and technical coordination of the European Training Foundation (ETF). The ETF provides expertise and support in data collection, analysis, and reporting, ensuring methodological consistency across participating countries. The 2024–2025 exercise also benefits from an improved data visualisation dashboard (operated through PowerBi), allowing for more accessible tracking of policy trends and implementation across UfM MS.

As part of the participatory process, all steps have been discussed and agreed upon with volunteering countries, including the approach, the monitoring framework, the indicators, and the reporting tools and format. The current monitoring round was officially launched in 2024. National contact

¹ [5th UfM Ministerial on Employment and Labour](#)

persons/focal points from the UfM MS who volunteered in this pilot monitoring process provided relevant data between October 2024 and March 2025, following consultations with other relevant ministries and stakeholders according to the needs. The monitoring process involved continuous feedback, incorporating structured reporting templates, coaching sessions, and targeted support to enhance national data collection capacities. In 2025, the process also included a dedicated session and peer learning exchange with CEDEFOP, to look into monitoring mechanisms put in place in EU UfM MS. Updates regarding the progress with the monitoring process were shared by ETF during the UfM Regional Platform on Employment and Labour (RPEL) meetings, including the Community of Practice (CoP) on monitoring meetings (Rome, November 2024 and Thessaloniki, January 2025). The preliminary draft of the 2025 cross-country report has been also presented to and discussed with volunteering UfM MS prior to the UfM RPEL and the related back-to-back meeting of the CoP in Porto, in May 2025.

While the findings of this monitoring exercise are not intended as a policy assessment, they serve to highlight key trends and identify priority actions and to provide valuable insights into employment and labour market dynamics in key priority areas linked to employment and labour. The report, upon request of the volunteering countries, does not provide comparisons due to the different country contexts, it provides though indicative references to international data and benchmarking. The final findings of this second monitoring round will be presented at the 6th UfM Ministerial Meeting on Employment and Labour and policy conference that will take place in Malta (on 13-14 October 2025), informing regional policy discussions and supporting future strategic initiatives.

The main sources of information for this cross-country report are the national monitoring reports and data submissions provided by the volunteering UfM Member States, complemented with data from international statistical databases and ETF's Torino Process knowledge base. The cross-country report provides a consolidated cross-country overview and does not include analysis of each individual country report. The findings and recommendations need to be considered within the framework of the agreed approach, and possible limitations, of this exercise.

ACKNOWLEDGEMENTS

The monitoring exercise is a joint work of the UfM volunteering Member States, technical input and steering of the European Training Foundation (ETF) in close cooperation and under the coordination of the European Commission (Directorate General for Employment and Social Affairs, DG EMPL) and the Union for the Mediterranean Secretariat, whose support has been instrumental throughout the process.

This report was prepared under the coordination of Abdelaziz Jaouani, Senior Expert at the European Training Foundation (ETF), who led the technical work in close cooperation with Sabina Nari supervising the overall process, Stefano Lasagni, who supervised the data and statistical analysis, and Mihaylo Milovanovich, who contributed to the integration of Torino Process outcomes in pillar 3. The team is grateful for the valuable contributions and support received throughout the implementation of the monitoring exercise and the drafting of this report.

The European Training Foundation (ETF) also wishes to thank the national experts and stakeholders from the UfM volunteering Member States, and all partners in the UfM regional platform on employment and labour, including social partners, who generously shared their time, insights, and experiences, which were essential in ensuring the relevance and quality of the analysis.

The ETF acknowledges the important role of the contractor who supported the technical work and contributed to the preparation of this report, PPMI (part of Verian group), in particular Ms Sonata Brokeviciute and Ms Neringa Simkute.

This report has benefited from the input and contributions of the ETF Editorial Board, with a thorough peer review carried out by Cristina Mereuța and Ummuhan Barak, senior experts in employment and labour market.

The ETF is particularly grateful to the European Commission (DG EMPL) and Union for the Mediterranean Secretariat for their support for a smooth implementation of the monitoring process.

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EXECUTIVE SUMMARY

This cross-country report presents the results of the monitoring of the priorities of the 5th UfM Ministerial Declaration on Employment and Labour. Its drafting and preparation were coordinated by the ETF, with the support of PPMI (Part of Verian group) and it brings together country reports submitted by 13 UfM volunteering member states, complemented with qualitative data from international sources, gathered by the ETF.

The report tracks progress in the implementation of the priorities of the 5th UfM Ministerial Declaration on Employment and Labour and aims to strengthen peer learning and evidence-based policymaking, responding to the 4th UfM Ministerial Declaration of 2019.

Methodologically, this report is informed by the combination of quantitative and qualitative self-reported policy evidence, data from international sources, and the ETF Torino process database. The analysis of all these evidence and data is structured around the three pillars of the monitoring (1) More and better jobs: employment creation and entrepreneurship; (2) Making labour markets more inclusive for workers and potentially vulnerable groups; and (3) Preparing for Work: Skills and Lifelong learning, preceded by an overview of the socioeconomic context and trends in the UfM Member States participating in the process.

Looking at the overview of the socioeconomic context, the analysis shows that the socioeconomic situation in the UfM volunteering countries has evolved since 2021. Youth population is slowly decreasing in certain countries and working age cohorts are projected to shrink in EU member states (MS) and Montenegro but stabilise in Arab Mediterranean countries (AMCs), Israel and Türkiye. Fertility rates are low in the EU, yet higher, though also decreasing, in AMCs. On the other hand, GDP per capita and labour productivity have largely recovered since the pandemic, yet some gaps persist, reflecting lower research and development (R&D) spend and innovation rankings in most AMCs. Educational attainment is increasing; however, collective bargaining coverage and civic participation remain uneven across EU MS, AMC, Israel, Montenegro and Türkiye.

Regarding Pillar 1: More and better jobs: employment creation and entrepreneurship, UfM volunteering countries show efforts for job creation through the social economy, entrepreneurship and labour formalisation. Most of the volunteering countries have or are drafting legal frameworks for the social economy; while France, Spain, and Portugal estimate their social economy contribution at up to 10 % of GDP. Entrepreneurship has also benefited from strengthened efforts by the UfM volunteering countries, as reflected in new start-up finance schemes, updated legal frameworks, curricular integration and deeper private-sector engagement, although most measures are still being phased in. Most UfM volunteering countries have also tightened legal and inspection regimes for undeclared work and introduced simplified business registration and tax incentives, yet informal employment still exceeds a quarter of non-agricultural jobs in several economies.

As for Pillar 2: Making labour markets more inclusive for workers and potentially vulnerable groups, all UfM volunteering countries developed youth strategies for participation in the labour market. However, while NEET rates are decreasing in some countries, inactivity remains high for young women in many AMCs. UfM volunteering countries have also adopted comprehensive gender-equality strategies, including action plans, anti-discrimination laws, pay-transparency indices, work-life-balance directives, targeted incentives, and social dialogue mechanisms to increase women's participation in the labour market. Consequently, women's activity rates have risen in several UfM volunteering countries between 2015 and 2023. UfM volunteering countries have also adopted a variety of migration policies, such as dedicated strategies or action plans designed to increase employability via language training, skills recognition and tailored measures. Most volunteering countries now also include migrant integration in social dialogue mechanisms.

Pillar 3: Preparing for Work: Skills and lifelong learning shows that vocational education and lifelong-learning reforms are advancing in UfM volunteering countries. Portugal, Montenegro, and Morocco are pioneering modular adult learning, prior-learning recognition, modernising curricula and

expanding adult retraining. France and Portugal excel in integrating literacy, numeracy and digital competences. In addition, centres of excellence in pedagogy, governance and social inclusion—coupled with innovative modular courses, green-digital curricula and strong industry links in countries such as Algeria, Montenegro, Spain and Türkiye present efforts for systemic reform to increasingly match VET with labour-market needs.

To conclude, this monitoring round shows countries moving from agenda setting to tangible implementation although the pace and extent vary depending on the context. Social economy frameworks and start-up ecosystems are expanding, NEET rates are decreasing, and education and training systems are growing more responsive to economic and labour market needs. However, some challenges remain, including informal employment, gender gaps, regional disparities, especially between rural and urban areas, and skills mismatches, among others.

The overarching recommendations coming from this second exercise are presented below, while more pillar-specific recommendations can be found in the “Conclusions and Recommendations” section:

- **Strengthen integrated approaches to tackle youth inactivity and NEETs**

Adopt holistic and coordinated approaches targeting young people not in employment, education or training (NEETs). This includes early identification mechanisms, personalised guidance, and expanded access to apprenticeships, employment and entrepreneurship pathways. These actions could draw inspiration from the EU Youth Guarantee model and be tailored to national and local contexts. This also includes support to initiatives such as the European Alliance for Apprenticeships.
- **Promote gender-responsive employment strategies**

Foster policies that reduce structural barriers to women's participation in the labour market, including expanded access to affordable child-care, targeted entrepreneurship incentives, flexible working arrangements, and reskilling opportunities in digital and green sectors. Attention should be given to promoting equal pay, quality jobs, and gender parity in leadership and decision-making roles.
- **Support transition from informal to formal employment**

Encourage governments to scale up pilot programmes and targeted initiatives that incentivise the transition from informal to formal work, particularly for youth and women. This includes simplified administrative processes, social protection coverage, and fiscal incentives for formalisation. Strengthen controls and sanctions to deter non-compliance, for example, by increasing labour inspections, imposing fines for undeclared work, suspending business licences in cases of repeated violations, and leveraging tax audits to spot tax evasion. Peer learning across countries should be promoted to share best practices and lessons learned.
- **Reinforce frameworks for meaningful and inclusive social dialogue**

Strengthen national institutional frameworks that ensure the regular and effective participation of social partners, such as business support organisations, including youth and women's organisations, in the design, implementation, and monitoring of labour and employment policies. Social dialogue should be inclusive, continuous, and integrated into broader reform processes to ensure buy-in and sustainability.
- **Improve labour market monitoring and data systems**

Support the development and use of reliable and internationally comparable, disaggregated labour market data to inform evidence-based policymaking, with particular emphasis on data accessibility and data sharing for researchers. National monitoring efforts should be reinforced through technical cooperation and capacity-building, particularly via the UfM Community of Practice on Monitoring, to facilitate peer learning, harmonisation, and shared progress tracking.

- Reinforce data collection on people with disabilities

Pillar 2 on Inclusive Labour Markets should be expanded to collect data on persons with disabilities, either as separate indicators throughout the three outlined dimensions, or as a separate dimension. This would ensure their full representation and support in labour market policies and promote equal opportunities through policy innovation and targeted measures that enable persons with disabilities to access the employment.

- Boost social, green and digital entrepreneurship ecosystems

Strengthen regional cooperation in support of inclusive entrepreneurship ecosystems, with particular emphasis on social, green and digital entrepreneurship, including traditional green sectors such as agriculture and rural skills. This includes developing enabling legal frameworks, promoting access to finance and social investment, fostering cross-border mobility of social entrepreneurs, and building business capacity through tailored technical support.

- Invest in lifelong learning systems to support inclusive and future-proof skills development

Promote inclusive and adapted lifelong learning frameworks that respond to evolving labour market needs, support upskilling and reskilling, and facilitate smooth school-to-work and work-to-work transitions. Lifelong learning should be supported by modernised education and training systems, quality assurance mechanisms, lifelong career guidance and counselling, national qualification frameworks and improved recognition of non-formal and informal learning, including through micro-credentials.

- Promote regional cooperation and peer learning

Facilitate structured regional peer learning through Communities of Practice, thematic networks, regional workshops, and conferences. These platforms should support systematic knowledge sharing, capacity-building, and coordinated action across borders, contributing to more coherent and impactful employment and labour market reforms. Examples of events include: promoting structural and sustainable socio-economic changes through initiatives such as the Transition to Employment Initiative (TEI), and UfM's Hub for Jobs, Trade, and Investment; maintaining and developing the UfM Community of Practice on monitoring, with a new cohort and an adopted monitoring chart; highlighting the role of the UfM Secretariat and UfM grant schemes in implementation; organising the UfM Forum on Social Dialogue in 2026, targeting social partners; launching the UfM Forum on Employment and Labour from 2026 onwards; developing the UfM Regional Platform on Employment and Labour, including a Roadmap for Action 2025–2028 for follow-up; holding the 7th Ministerial Meeting on Employment and Labour in 2028.

1. INTRODUCTION

The objective of the monitoring process is to foster a culture of monitoring and evidence-based policymaking aimed at improving the efficiency, effectiveness, and inclusivity of employment and labour market policies. This process follows a policy learning approach, facilitating peer exchange, mutual learning, and regional cooperation among the Union for Mediterranean Member States (UfM MS).

The monitoring is organised on a multi-annual basis in line with the UfM Ministerial Declarations on Employment and Labour. A first pilot monitoring report was produced in 2021, and this second cross-country report (2025) builds on that experience with an updated framework. Regular rounds of monitoring are foreseen to accompany future UfM Ministerial meetings, ensuring systematic tracking of progress and continuity in regional cooperation.

More specifically, the participation in the monitoring process is intended to:

- Foster exchange, peer learning, as well as networking and cooperation with countries' stakeholders and international organisations;
- Identify and gather reliable disaggregated data and statistics, as well as work on relevant indicators, encouraging their harmonisation and sharing;
- Contribute to improving national capacities for monitoring policies related to the labour market; to monitoring the impact on the labour market of other policies and cooperation initiatives in areas such as industrial cooperation, trade and investment, migration, education and training and gender equality, among other areas;
- Incentivise countries to share their national monitoring reports on a regular and voluntary basis on the main national trends in the field of employment and labour with the UfM Secretariat; this could be an opportunity to identify innovative and strategic operational programmes and initiatives which contribute to countries' efforts;
- Promote opportunities for the UfM Secretariat, European Commission and the relevant EU agencies, in particular the ETF, to provide relevant expertise to this work and facilitate the exchange of experiences, good practices, lessons learned and innovative approaches at national and international levels.

These objectives have been endorsed by the UfM MS to ensure the systematic tracking of progress and developments within the framework of the 2022 UfM Ministerial Declaration on Employment and Labour. The Ministerial Declaration also underscores the need to foster regular exchanges and knowledge-sharing through a Community of Practice (CoP). The UfM MS actively participating in this process form a dynamic platform where countries can discuss progress, exchange experiences, and address challenges related to the priorities of the Ministerial Declaration and its monitoring process. This exchange follows the principles of a CoP, reinforcing collective learning and regional policy alignment. The UfM Regional Platform on Employment and Labour, further enriches these exchanges through a continued cross feeding of information, good practice and lessons learned, touching upon various areas and thematic priorities of the monitoring framework.

Furthermore, the outcomes and good practices emerging from this monitoring exercise are also expected to benefit other CoPs, such as the UfM Community of Practice on Youth Employment in the Southern Mediterranean. This initiative, launched with the support of the German Development Cooperation (GIZ) following the 2022 Ministerial Declaration, strengthens employment policies for youth in the region².

² Discussions are ongoing related to a second phase of the CoP on Youth

This report is structured around three key sections:

- **Socioeconomic context** – presents an analysis based on key labour market indicators in volunteering countries;
- **Monitoring results by pillar** – outlines findings based on the three key Ministerial priorities and the qualitative data provided by volunteering countries;
- **Concluding remarks** – summarises key trends, challenges, and policy recommendations.

The report covers geographically the UfM Member States that volunteered for the monitoring exercise (see the full list in the Preface section above). The results presented are specific to those countries and to the data made available. Where applicable, references to the UfM EU Member States apply to those that are also part of the European Union (EU), while AMC (Arab Mediterranean countries)³ refer to the other UfM volunteering MS as outlined in the section below. Some countries cannot be classified as EU or AMC, such as Israel, Montenegro, and Türkiye. Throughout the text, the following abbreviations are used for the countries: Algeria – DZ; Belgium – BE; France – FR; Greece – EL; Israel – IL; Malta – MT; Montenegro – ME; Morocco – MA; Palestine – PS; Portugal – PT; Spain – ES; Tunisia – TN; Türkiye – TR.

³ This report follows the country specific terminology example of *ETF (2021) Policies for human capital development: Southern and Eastern Mediterranean region – An ETF Torino Process assessment*, where AMC include all countries in the Southern and Eastern Mediterranean except Israel that in this report is indicated as non-AMC, together with Montenegro, and Türkiye.

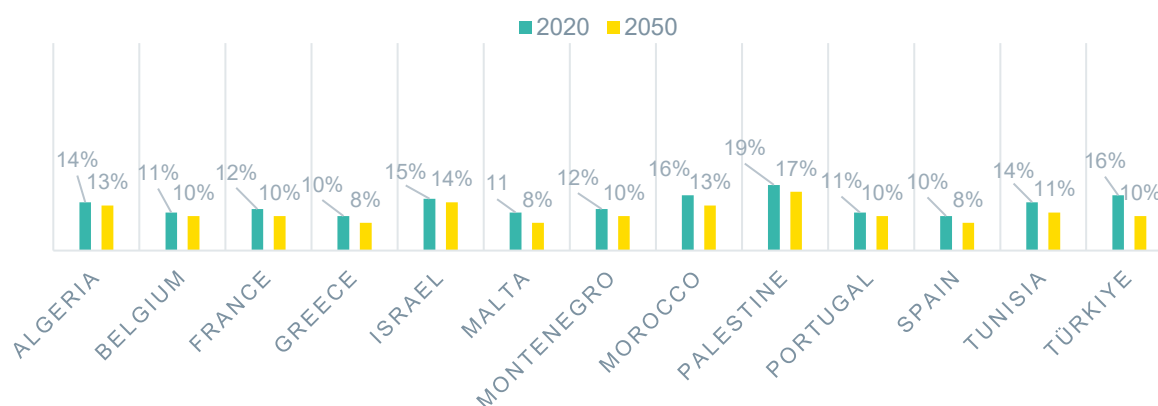
2. OVERVIEW OF THE SOCIOECONOMIC CONTEXT

The socioeconomic landscape of the UfM MS⁴ has undergone notable shifts since 2021, shaped by demographic transitions, technological advancements, and evolving labour market dynamics, among other factors. While the countries continue to navigate many challenges, the gross domestic product (GDP) growth, access to education and training, and digital transformation have shown progress in almost all of them. However, some gaps still remain, for instance, in gender gap in workforce participation and employment conditions, highlighting the need for targeted policy responses.

The following sections provide a detailed exploration of socioeconomic indicators, covering demographics, economic performance, labour markets, and innovation, offering a comparative perspective between the EU and AMC, Israel, Montenegro, and Türkiye as a part of the volunteering UfM MS.

Demographic changes continue to shape labour market dynamics across UfM MS, with a declining share of the youth population (aged 15-24) in EU Member States, AMC, Israel, Montenegro and Türkiye (Graph 1). This trend mirrors broader demographic shifts observed in the past decade. While EU countries have long faced ageing populations and potential labour shortages, the progressive but steady decline in youth populations across AMC, Israel, Montenegro, and Türkiye also signals converging demographic pressures. In 2020, demographic pressure remained a defining characteristic of the region, particularly in AMC and Türkiye, where large youth populations were still seen as both a challenge and an opportunity. The progressive decline in AMC, Israel, Montenegro and Türkiye suggests that in the future, the pressures related to the sharp population growth will gradually decrease, but the pressure on the labour market, among other challenges, persists.

Graph 1: Share of total population: % aged 15-24. 2020 and 2050

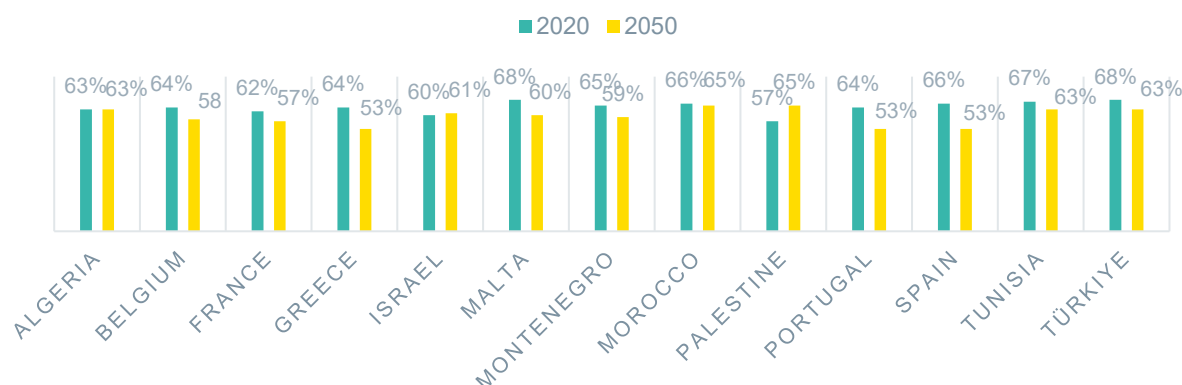


Source: UN DESA (estimates)

Similarly, the working-age population (aged 15-64) is projected to decline significantly in the EU MS and Montenegro by 2050, while AMC, Israel and Türkiye are expected to see more stability or moderate declines (Graph 2). This contrast suggests that EU MS face workforce shortages, while the focus of AMC, Israel and Türkiye shift to job creation and economic diversification aiming to absorb a still sizeable workforce.

⁴ The landscape of the UfM MS mainly focuses on AMC, Israel, Montenegro and Türkiye. The EU MS references are provided mainly as an international comparison and benchmark.

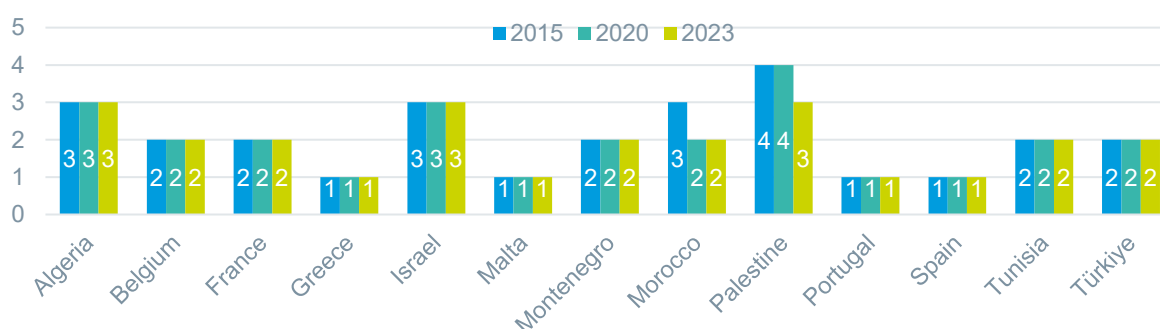
Graph 2: Share of total population: % aged 15-64. 2020 and 2050



Source: UN DESA (estimates)

Fertility rates⁵ have remained low and stable across the EU MS, while generally higher in AMC, Israel, and Türkiye (Graph 3). Between 2015 and 2023, some countries in the region saw a drop from four to three children per person, indicating a gradual shift toward lower birth rates. This aligns with broader global fertility trends but also presents a double challenge: while a lower fertility rate eases short-term labour market pressures, it may accelerate population's ageing and increase reliance on inward migration to fill emerging workforce gaps in the long run.

Graph 3: Total fertility rate, 2015, 2020 and 2023

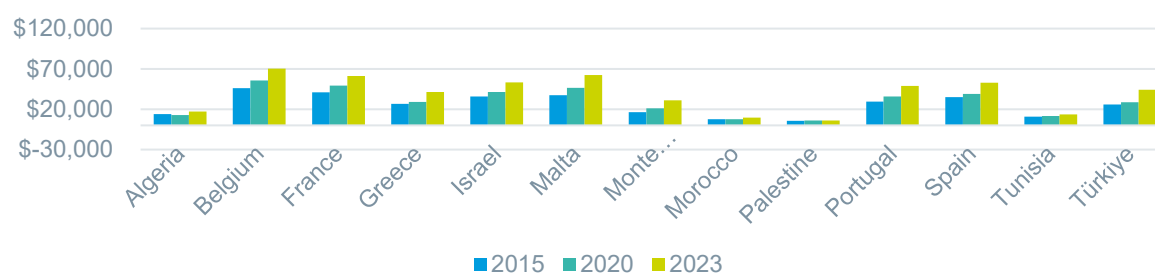


Source: World Bank (WDI).

Between 2015 and 2023 GDP per capita (PPP \$) increased across the EU MS, AMC, Israel, Montenegro and Türkiye, demonstrating post-pandemic recovery and varying degrees of economic resilience (Graph 4). However, disparities remain pronounced. EU MS, Israel, and Türkiye maintain higher income levels, while some AMC economies and Montenegro, despite steady growth, continue to face structural challenges such as informality and economic volatility. The 2021 report highlighted significant economic contractions due to COVID-19, but more recent data indicates that recovery has taken hold in most countries. While some countries severely affected in 2020 have rebounded, others still face ongoing challenges.

⁵ The total fertility rate is the most commonly used metric to assess birth patterns: it captures the average number of births per woman, assuming she experiences the same age-specific fertility rates over her lifetime as the age-specific fertility rates in one particular year. Available at: <https://ourworldindata.org/fertility-rate#:~:text=The%20total%20fertility%20rate%20is, rates%20in%20one%20particular%20year>.

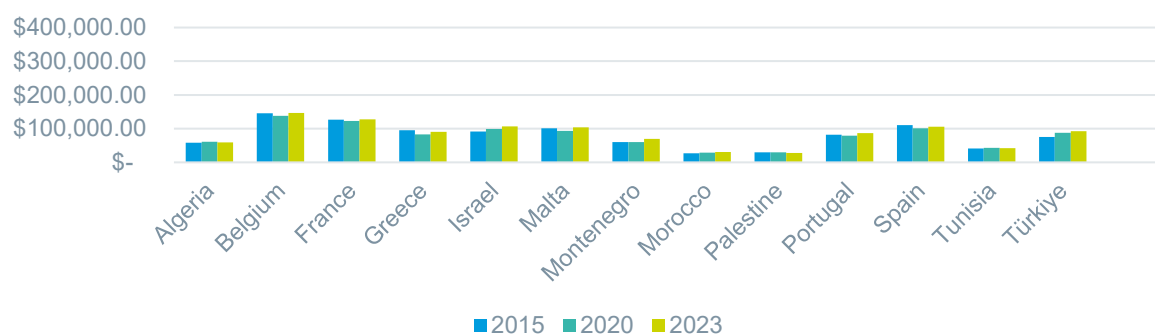
Graph 4: GDP per capita (PPP \$), 2015, 2020 and 2023



Source: World Bank (WDI).

Labour productivity shows similar trends. GDP per employed person (constant 2017 PPP \$) has improved in some UfM economies, yet it remains lower than in the EU MS (Graph 5). This trend remains consistent with the 2021 findings, where informality and lack of investment were already identified as major constraints.

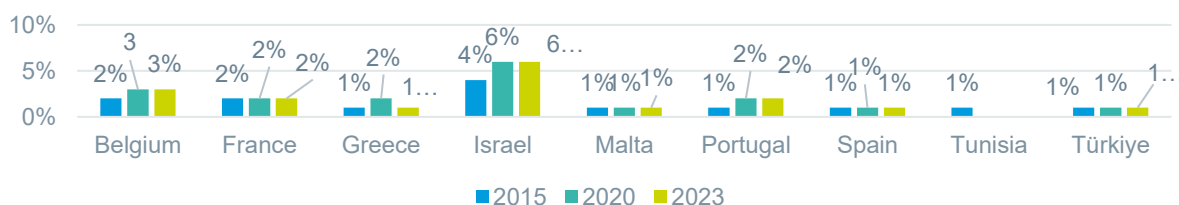
Graph 5: GDP per employed (constant 2017 PPP \$), 2015, 2020 and 2023



Source: World Bank (WDI).

Investment in research and development (R&D) remains a key differentiator between the EU MS, AMC, Israel, and Türkiye. The R&D expenditure as a percentage of GDP has remained higher in Israel and the EU MS, with some countries even increasing their spending between 2015 and 2023 (Graph 6). In contrast, most AMC and Türkiye continue to allocate lower shares of GDP to R&D. This gap has persisted since 2021, despite efforts in some countries to expand digital economies. The 2021 report highlighted that while digital transformation was accelerating, particularly due to COVID-19, some barriers continued to limit innovation in some of the countries.

Graph 6: R&D expenditure (% of GDP), 2015, 2020 and 2023*



*Note: Data for Algeria, Morocco, Palestine and Montenegro is unavailable. For Tunisia, only data from 2015 is available.

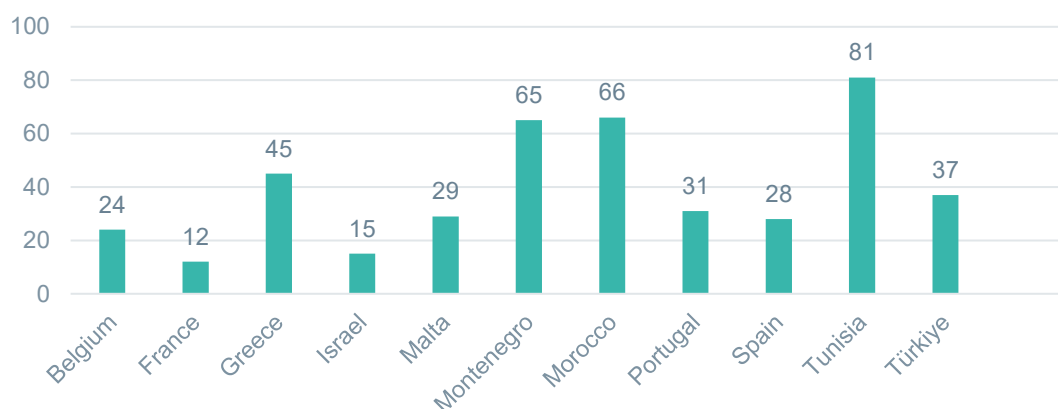
Source: World Bank (WDI).

The Global Innovation Index⁶ 2023 also underscores a divide (Graph 7), with the EU MS and Israel ranking among the world's top innovators, while most AMC, Türkiye, and Montenegro remain in lower

⁶ Global Innovation Index measures the most innovative economies in the world, ranking the innovation performance of around 130 economies while highlighting innovation strengths and weaknesses. Available at: <https://www.wipo.int/en/web/global-innovation-index>

rankings, reflecting persistent gaps in technological readiness and innovation-driven growth. This trend has remained consistent since 2021, although some UfM volunteering countries have seen some improvements in rankings, likely due to increased digital adoption in response to the pandemic.

Graph 7: Global Innovation Index Rank, 2024*

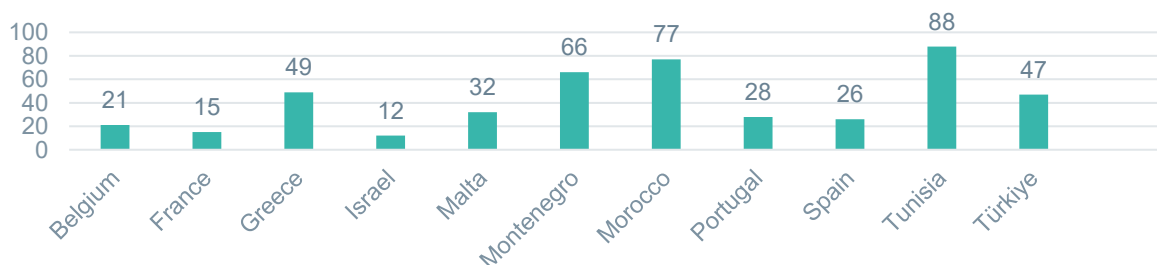


*Note: Data for 2015 and 2020 is unavailable, and for Palestine, data for 2024 is also unavailable.

Source: World Intellectual Property Organization (WIPO).

The Network Readiness Index⁷ highlights digital differences among the volunteering countries (Graph 8). While the EU MS and Israel continue to expand their digital infrastructure, improve connectivity, and integrate advanced digital tools, many AMC economies face challenges in digital access, skills, and investment in information and communication technology (ICT). Compared to 2021, digitalisation has advanced in some countries, but accessibility and affordability remain barriers, particularly in rural and remote areas.

Graph 8: Network Readiness Index Rank, 2023*



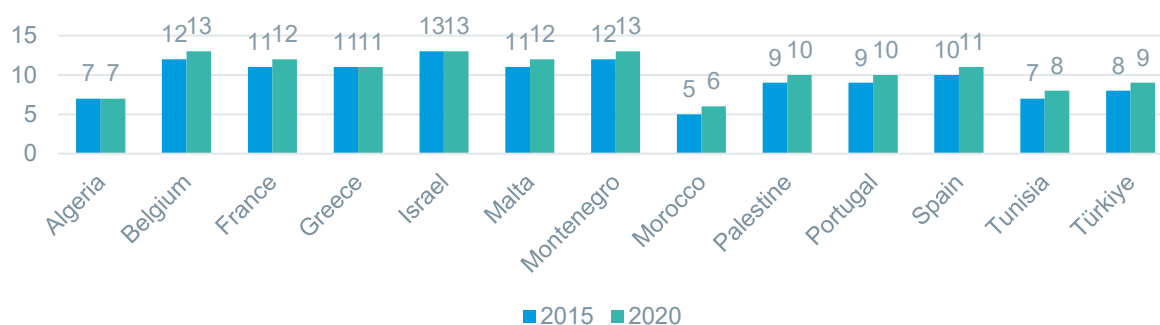
*Note: Data for Palestine for 2023 are not available.

Source: Portulans Institute.

Education remains a critical enabler of economic development, with **mean years of schooling having increased slightly across all the volunteering countries** (Graph 9). However, the EU MS, Montenegro and Israel continue to report significantly higher average years of schooling, ranging from 11 to 13 years, while many AMC and Türkiye remain below these levels. Bridging the education gap remains essential for long-term socioeconomic development.

⁷ The Networked Readiness Index is an index published by the World Economic Forum. It measures the degree of readiness of countries to exploit opportunities offered by information and communications technology. Available at: <https://knowledge.insead.edu/entrepreneurship/worlds-most-tech-ready-countries-2015>

Graph 9: Mean years of schooling, 2015 and 2020*

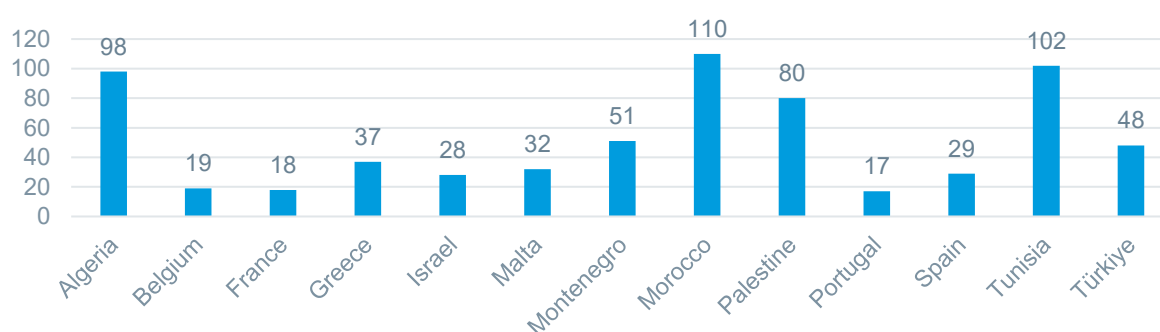


*Note: Data for 2023 is unavailable.

Source: UNDP and UNESCO.

The Human Capital Index⁸ rankings for 2020 (Graph 10) highlight EU MS and Israel ranking higher, while most AMC, Montenegro and Türkiye continue to face some challenges, which aligns with the 2021 findings.

Graph 10: Human Capital Index Rank, 2020*



*Note: Data for 2015 and 2023 is not available.

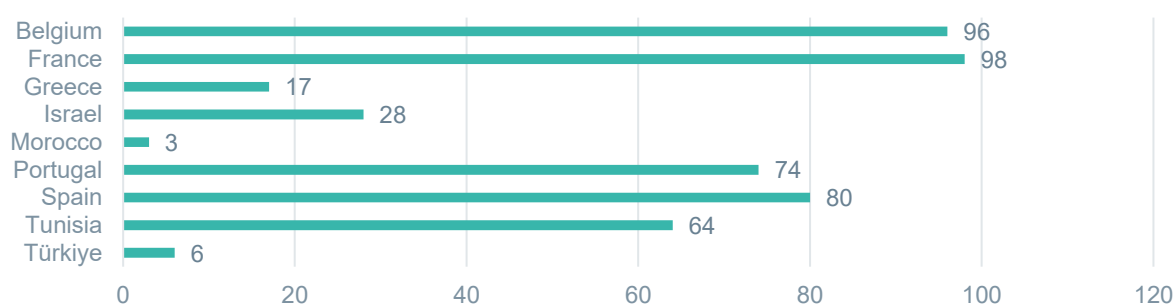
Source: World Bank (WDI).

Collective bargaining coverage⁹ further illustrates some labour market contrasts, where most EU MS and Tunisia generally report significantly higher collective bargaining coverage (Graph 11). This may indicate stronger labour unions and institutionalised worker protections. In contrast, Morocco, Türkiye and other EU MS such as Greece report minimal or declining bargaining coverage. While data are not available for most AMCs and Montenegro, this issue was also flagged in the 2021 report, with concerns that weakening collective bargaining structures could impact on job insecurity.

⁸ Human Capital Index by World Bank provides a definition of human capital and quantifies the contribution of health and education to the productivity of the next generation of workers. Countries can use it to assess how much income they are foregoing because of Human Capital gaps and how much faster they can turn these losses into gains. Available at: <https://www.worldbank.org/en/publication/human-capital>

⁹ According to the Organisation for Economic Co-operation and Development, collective bargaining coverage is an indicator of the extent to which the terms of workers' employment are influenced by collective negotiation. It is the coverage rate, that is, the number of employees covered by the collective agreement, divided by the total number of wage and salary earners. Available at: <https://www.eurofound.europa.eu/en/european-industrial-relations-dictionary/collective-bargaining-coverage>

Graph 11: Collective bargaining coverage rate (%), 2015*



*Note: For 2015, no data is available for Algeria, Malta, Montenegro, and Palestine.

Source: ILOSTAT.

The 2023 Civil Society Participation Index¹⁰ presents that the EU MS, Israel, Morocco, and Tunisia maintain higher civic engagement levels (close to 1), while AMC countries, such as Algeria or Türkiye (close to 0 between 2020 to 2023) report low or stagnant levels of civil society participation. The 2021 report similarly highlighted civic engagement challenges, noting that restrictions on civil society participation remained a concern in several countries.

¹⁰ Civil Society Participation Index combines information on the extent to which citizens are active in diverse organisations which choose and influence policy-makers. It ranges from 0 to 1 (most active). Available at: https://data360.worldbank.org/en/indicator/VDEM_CORE_V2X_CSPART

3. POLICY PROGRESS IN THE THREE UFM MINISTERIAL PRIORITIES

3.1 Pillar 1: More and better jobs: employment creation and entrepreneurship

Overall, similar to the data presented in the UfM Monitoring Framework Cross-Country Report 2021, information collected for this pillar shows that a strong policy interest remains in generating more jobs and fostering decent work. The volunteering countries have introduced many innovative policy measures and programmes in the areas of social economy, entrepreneurship, and the informal economy, which could continue to inform regional and bilateral peer learning and cooperation. This Pillar includes data collected from all the volunteering countries participating in this monitoring round except Belgium and Israel¹¹.

Dimension 1: Social economy¹²

Social economy (SE) continues to attract growing policy interest across the UfM MS, viewed as a means to foster inclusive growth, create decent work opportunities, and address community needs. The following overview reflects updates, focusing on definitions and legislation, strategic frameworks, financing programmes, and quantitative indicators measuring SE's impact.

The volunteering UfM MS with clear definitions of SE (FR, EL, PT, ES) typically refer to cooperatives, mutuals, associations, and other entities with a social purpose. Where definitions exist, they are often integrated into broader employment or economic strategies and formally adopted through legislation or policy decrees. Countries without official definitions (DZ, MT, ME, MA, PS, TR) still frequently note the presence of de facto SE activities, though these may be regulated under broader frameworks for civil society or non-profit organisations.

Regarding legal frameworks for SE, several countries (FR, EL, MA, PT, ES) have dedicated laws or decrees specifying the rules under which social enterprises operate. This legislation generally clarifies organisational forms, membership requirements, and aspects of governance or financial oversight. For instance, France regulates SE through Law No. 2014-856, which defines principles (not purely profit-driven, democratic governance, reinvested surpluses) and extends the sector to certain commercial companies under specific conditions. By contrast, Morocco enforces multiple laws on cooperatives, associations, and mutuals and is currently drafting a unifying law to streamline existing regulations. While some countries have enacted comprehensive frameworks, others—such as Montenegro and Türkiye—are still preparing or refining legislation.

Many of the countries with established definitions and legislation have also developed strategies or action plans for SE (reported by FR, EL, MA, PS, PT, ES), while some countries are still in the process of developing them (DZ, ME). These strategies aim to strengthen SE ecosystems by setting targets for job creation, entrepreneurial training, or financing mechanisms tailored to socially driven enterprises. Typical goals include scaling the capacity of cooperatives, expanding access to credit, or fostering innovative business models. For instance, the Spanish Social Economy Strategy 2023 - 2027, which is aligned with the European Social Economy Action Plan approved in December 2021, responds to the Spanish Government's interest in promoting the Social Economy to increase its contribution to the socio-economic development. In addition, Portugal emphasises social economy through the Basic Law on the Social Economy, three dedicated institutions ([CASES](#), CNES and CPES), [an official national satellite account](#) and a dedicated training centre. Portugal also promoted social and solidarity economy during its 2021 EU Council Presidency and the [Luxembourg Declaration follow-up](#). CASES

¹¹ Belgium and Israel participated only in Pillar 2 data collection.

¹² The term social economy refers to four main types of entities providing goods and services to their members or society at large: cooperatives, mutual benefit societies, associations (including charities), and foundations.

also partnered with the [ILO to host the 12th SSE Academy in November 2021](#) and [signed a memorandum with Spain to advance the sector](#). Other countries, such as Malta and Montenegro, are in the early stages of discussing or planning strategies. Türkiye and Algeria have no formal plans, though discussions are ongoing.

Financing opportunities primarily emerge through national and/or local programmes financing startups in SE and financial/entrepreneurial support. Several countries (DZ, FR, EL, MT, ME, PS, PT, ES) report having introduced funding tools and initiatives to encourage entrepreneurship in the social sector. For instance, Algeria's 2020 Startup Fund invests in new ventures, including social enterprises. Algeria's L'Agence Nationale de Gestion du Microcrédit (ANGEM) targets low-income groups with microcredits for income-generating activities in sectors such as handicrafts and agriculture, coupled with trainings. Spain implements programmes to promote the incorporation of workers or work partners in cooperatives and labour companies and to support the development of projects for the creation and modernisation of SE companies. Other financial and entrepreneurial support mechanisms include capacity-building initiatives, tax incentives, or simplified registration processes for SE stakeholders. For example, Malta's general business schemes also aid socially driven entities, alongside tax exemptions for cooperatives. Montenegro taps into EU funds such as IPA and Erasmus+, as well as IDF loans. Morocco draws on programmes like INDH, Forsa, and Mourafaka to finance cooperatives, especially in rural areas, while Palestine relies on government, private sector and donors support.

Major SE programmes (reported by DZ, FR, EL, MT, ME, MA, PS, PT, and ES) often originate within broader economic development strategies or Active Labour Market Policies (ALMPs). Typical measures include training schemes, cooperative formation incentives, and awareness campaigns to enhance public recognition of SE's contribution. For instance, Greece employs EU funds (ESF+, ERDF) for grants and fosters microfinancing (Law 4701/2020). Meanwhile, Spain facilitates subsidies for investments in land, buildings, technical installations, machinery, tools, furniture, equipment for information processing, transport elements, as well as intangible assets related to new information and communication technologies. Montenegro relies on UNDP support and the 'Creative Montenegro' programme for social startups, while Palestine offers the Empowerment Project (started in January 2019) and similar targeted support.

Compared to the 2021 cross-country report, where only Morocco and Spain provided data and statistics on SE, this round of monitoring exercise includes data from several additional countries (FR, EL, MT, PS, PT). In terms of the number and percentage of institutions by sector, most countries report that cooperatives and associations remain particularly active in agriculture, crafts, tourism, and health-related services. Spain, France, and Portugal highlight a comparatively high share of SE entities. Greece and Malta report steady growth in smaller-scale associations focusing on local community development and social inclusion projects, while Palestine emphasises the role of grassroots organisations providing vital social services.

SE's contribution to GDP varies across countries. Spain and France record some of the highest estimates, indicating approximately 8–10% of total GDP. Greece reports a smaller percentage (0.016 - 3% of GDP), and [Portugal reports 3% of total GDP as of 2016](#). Regarding job creation, countries acknowledge the capacity of SE organisations to generate and sustain employment. Portugal, Spain, and France have the largest proportion of positions, largely due to their sizeable cooperative and mutual sectors. Considering the volunteering UfM MS' policy implementation stages, most policy measures appear to be in the planning or partial implementation phase, with only a few fully or nearly completed. This shows that most policies are still in progress rather than fully realised. Overall, compared to 2021, data shows that SE is gaining further policy prominence across the volunteering UfM MS, with more countries adopting formal definitions and legislation as well as national programmes for its development.

Box 1. Good practices by country under Dimension 1. Social economy

Montenegro aims to [develop social entrepreneurship by mapping its current state](#), guiding a **Draft Law and Strategy for the Development of Social Entrepreneurship** by mid-2025. This helps determine priorities in SE, identify organisations that operate according to the principles of social entrepreneurship, and reinforce this type of enterprise in Montenegro.

The [Spanish Social Economy Strategy 2023-2027](#) presents **Spain's** roadmap to strengthen the sector's socio-economic impact. It is organised into four axes: visibility, competitiveness, entrepreneurship, and territorial sustainability. The strategy's priorities and planning are finalised for rollout.

Examples of good regional practices:

EU Social Economy Gateway: This platform serves as a comprehensive resource, offering information on EU funding opportunities, training, events, country-specific insights, and additional tools to support the social economy.

Dimension 2: Entrepreneurship programmes

Entrepreneurship programmes have gained considerable momentum across the UfM MS. This trend underscores an overarching policy priority to stimulate economic growth, job creation, and innovation. Recent data presents a variety of national and regional efforts to finance startups, legal and institutional frameworks, integration of entrepreneurial learning in the education curricula, involvement of private sector representatives on entrepreneurship policies and action plans, and monitoring and evaluation mechanisms of entrepreneurship programmes at the national level. In addition, quantitative data from the World Bank Enterprise Surveys offer insights into the main obstacles entrepreneurs face and the incidence of self-employment.

Most volunteering UfM MS present data on their main national and regional programmes to finance startups (DZ, FR, EL, MT, ME, MA, PT, ES, TR). For instance, Spain possesses the Start-ups Act, Entrepreneurial Skills Programme and Activa Startups Programme. Similarly, Türkiye's Entrepreneurship Support Program (KOSGEB) offers grants and loans to innovative startups. Portugal's Empreende XXI programme aims to support the creation and development of new business projects by young people seeking their first job and unemployed individuals. In addition, [ePortugal portal](#) centralises public financing programmes and incentives for start-ups and SMEs, while the [Portal dos Incentivos](#) lists current Portugal 2030 calls, tax benefits and sector-specific funding schemes. The [IEFP's entrepreneurship pages](#) complement these resources with grants, self-employment advances and mentoring initiatives.

Similarly, most volunteering countries also present legal and institutional frameworks for entrepreneurship programmes (DZ, FR, EL, MA, PS, PT, ES, TR), while some countries are currently developing or updating them (MT, ME). For instance, in Portugal, different programmes and measures contribute to the entrepreneurship framework, like the Portugal Digital Initiative (RCM no. 30/2020), which includes various programmes and measures to support entrepreneurship and startups, aiming to attract talent, leverage entrepreneurs, and boost foreign investment. On the other hand, Morocco's Law n°114-13 from 2015 focuses on auto-entrepreneurs, offering simplified registration and reduced taxation.

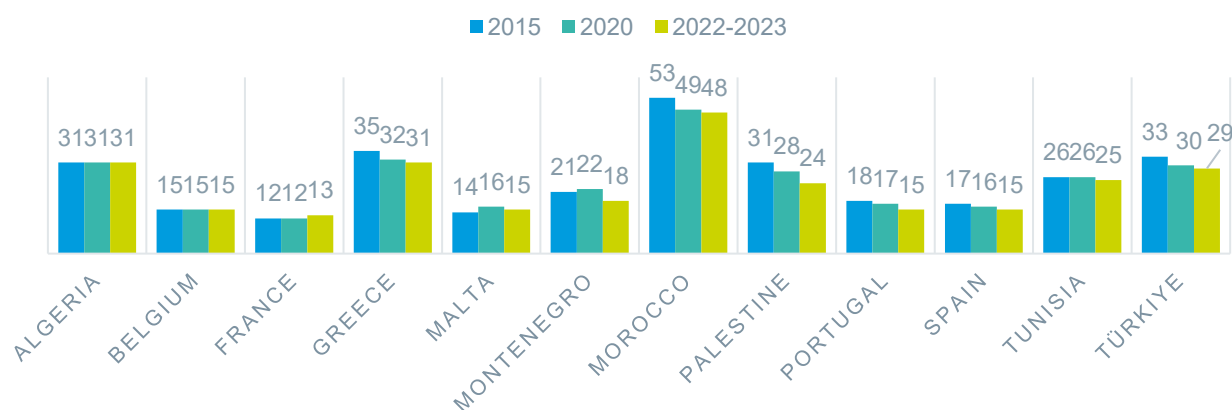
Entrepreneurship is incorporated into the curricula of most UfM volunteering countries, spanning general, vocational, and higher education (DZ, FR, EL, MT, MA, PS, PT, ES, TR). For instance, Algeria includes it in both higher education and vocational training. Malta integrates it into secondary and tertiary education through the Business START scheme at the Malta College of Arts, Science and

Technology (MCAST), treating entrepreneurship as a core skill. Entrepreneurship is part of the curricula programmes under the [National strategy for citizenship education in Portugal](#) as well.

The volunteering UfM MS also provide examples of private sector involvement in entrepreneurship policies and action plans (DZ, FR, EL, MA, PS, PT, ES, TR). For instance, France engages private sector representatives via consultative committees and public-private partnerships, while in Spain private sector representatives are regularly informed and consulted about public policies that affect the self-employed. Türkiye's Technoentrepreneurship Council grants voting rights to private entities, formalised their role in developing strategies. Some volunteering countries also adopt approaches to monitoring and evaluating entrepreneurship programmes (DZ, FR, MA, PS, PT, ES, TR). Algeria is developing a centralised system to gauge startups' performance and address gaps, while Palestine's 2021 review measured competitiveness and development lines in economic programming. Portugal has a regular monitoring and evaluation system in place for entrepreneurship programmes.

Data from the World Bank Enterprise Surveys, where exists, highlight the three largest obstacles reported by businesses. Volunteering countries from the EU (BE, EL, PT) and Montenegro most often cite tax rates, an inadequately educated workforce, and electricity as their top three obstacles. In contrast, AMC, such as MA primarily report practices of the informal sector, corruption, and an inadequately educated workforce among the most significant challenges. Meanwhile, in PS, the biggest obstacles are reported as political instability, access to finance, and tax rates. The incidence of self-employment¹³, between 2015 and 2023, defined as the share of employers, own-account workers and contributing family workers in total employment—declined in most partner countries (EL, ME, MA, PS, PT, ES, TN, TR; see graph below). A falling share of self-employment typically signals that a larger proportion of the workforce has moved into paid employee positions, benefiting from more formal job opportunities, stronger social-protection coverage and deeper integration into the formal economy. In contrast, a few volunteering countries (DZ, FR, MT) registered only a slight increase or broadly stable levels of self-employment over the same period.

Graph 12: Incidence of self-employment between 2015 to 2023*



*Note: Data on Israel is not available. The incidence of self-employment is expressed by the self-employed (i.e. Employers + Own-account workers + Contributing family workers) as a proportion of the total employed.

Source: ETF calculations on ILOSTAT data; Eurostat; KIESE data from national statistical offices.

Considering the policy implementation stage, most volunteering UfM MS indicate that their policies are in partial or ongoing implementation. A few countries report completed or near-completed measures. Policy implementation stage descriptions in the data reported by countries often include details of funding, target beneficiaries, and expected outcomes aiming to highlight how far implementation has advanced. Similar to 2021, entrepreneurship programmes continue to gain stronger policy emphasis, with new or updated legal frameworks, broader integration in education, and expanded financing

¹³ The incidence of self-employment is expressed by the self-employed (i.e. Employers + Own-account workers + Contributing family workers) as a proportion of the total employed. The indicator provides information on the distribution of the workforce, i.e. what proportion of employed persons in a country run their enterprises (with or without hired labour), work as own-account workers or without pay within the family unit. It provides a statistical basis for describing workers. Based on Labour Force Survey.

mechanisms. The recognition of entrepreneurship as a key driver of innovation, job creation, and economic growth remains relevant across the region. Additionally, the availability of data and the use of monitoring and evaluation methods have increased, which demonstrates an increasingly more structured approach to supporting entrepreneurship across the UfM MS.

Box 2. Good practices by country under Dimension 2. Entrepreneurship programmes

Palestine presents its **Entrepreneurship Strategy 2021–2023**. It aims to build a collaborative network of government bodies, academic institutions, banks, and youth organisations, providing technical support and attracting financing for sustainable, women-inclusive entrepreneurship and innovation.

Portugal highlights **Vouchers for Startups – New Green and Digital Products**. With EUR 90 million in overall funding, this measure provides funding for around 3,000 startups focusing on green transition and digital innovation.

Dimension 3: Informal economy

The informal economy remains a challenge across the UfM countries. The volunteering UfM MS are working to curb the informal sector through legal reforms and inter-institutional coordination as well as awareness campaigns or economic incentives to encourage formalisation and strengthening of controls and sanctions.

Most volunteering countries report having adopted a legal and institutional framework dedicated to addressing the informal economy (DZ, FR, EL, MT, ME, MA, PT, ES, TR). For instance, France's 2023–2027 plan targets illegal employment through coordinated inspections and stronger penalties, while Portugal's Labour Code—reinforced by progressive amendments—explicitly combats undeclared work. Algeria's Law n° 22-23 from 2022 highlights simplified processes for budding enterprises. Despite varied approaches, all volunteering countries share a commitment to formalising employment and safeguarding social security coverage.

Another key dimension is whether the transition to the formal economy is part of social dialogue institutions or mechanisms to address the risks of informalisation. This process occurs in several volunteering countries (DZ, FR, MT, ME, MA, PT, ES, TR). For instance, Malta relies on government-employer dialogue to encourage decent work via formal contracts, while Morocco's Economic, Social and Environmental Council (CESE) urges simplified processes for auto-entrepreneurs. Through such collaborative frameworks, governments and stakeholders seek to minimise informalisation risks. As a COVID-19 response, in 2020, the Portuguese Government [announced its initial support package, creating a simplified lay-off scheme and offering salary support for workers](#). Subsequently, the Portuguese government and the main employers' and trade-union confederations [signed a "Documento de Compromisso"](#), pledging joint action to safeguard citizens, institutions and companies throughout the pandemic and the recovery phase. These commitments [were negotiated by CES](#), which promotes dialogue and concludes such social-partner agreements.

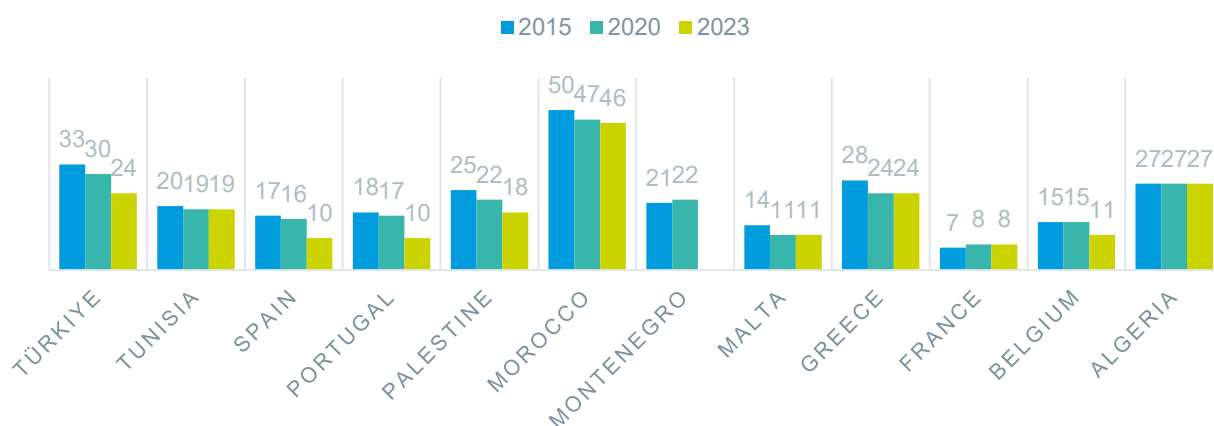
Regarding data availability, most volunteering UfM MS highlight recent studies, monitoring, or national statistics about informality (DZ, FR, EL, MT, ME, MA, PT, PS, ES, TR). Available data confirm that many volunteering countries regularly study or monitor the informal economy. For instance, in Malta, a 2020 Central Bank study and a [2023 factsheet by the European Labour Authority](#) indicate a gradual reduction in informal economy activities, while Spain's [Annual Labour and Social Security Inspectorate report](#) presents the results of the fight against social security fraud and irregular employment¹⁴. Morocco's CESE data reports that informality can comprise up to 30% of GDP, while TURKSTAT

¹⁴ European Labour Authority, *Factsheet on undeclared work – Malta*, 2023, accessible at: https://www.ela.europa.eu/sites/default/files/2024-02/MT-UDW_factsheet-2023-fin.pdf

shows that the unregistered employment rate was 26.3% in the second quarter of 2024 in Türkiye, which further underlines persistent informality across the region.

Overall, some other reports covering the UfM region show that informal economy could also be deepened by the platform work. As [some of the reports show](#), platform work in the Southern and Eastern Mediterranean region offers young people, women, and marginalised groups flexible income opportunities and access to global markets, but is largely informal and lacks social protections. Such findings emerge for Algeria (especially for young people in low-skill sectors); Morocco (concentrated in urban areas and dominated by overqualified men); Palestine (driven by high youth unemployment, restricted mobility, and a lack of local job opportunities); and Tunisia (particularly among young, highly educated men). On the other hand, although Israel has a strong digital infrastructure and vibrant high-technology economy, participation in online platform work is low due to limited economic incentives. Meanwhile, in 2021, Spain formalised workers working for digital platforms. It is important to ensure that this emerging labour market does not replicate the challenges observed in the traditional labour market. Considering the total incidence of vulnerable employment (see graph below), most countries present a decreased incidence of vulnerable employment between 2015 and 2023 (BE, EL, MT, MA, PS, PT, ES, TN and TR).

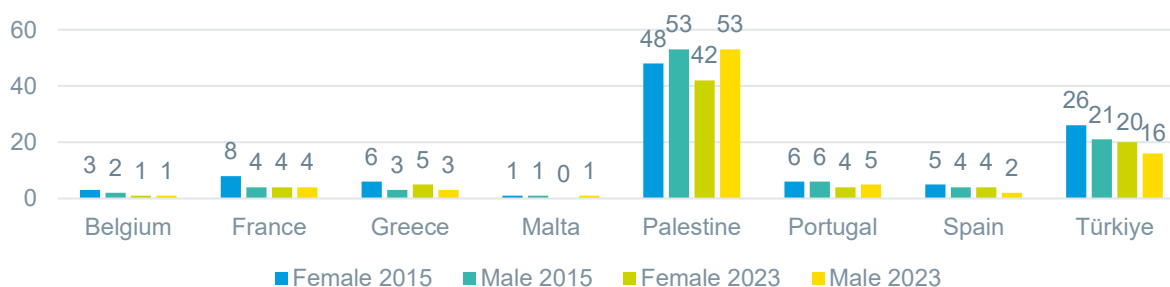
Graph 13: Incidence of vulnerable employment between 2015 to 2023*



*Note: Data for Israel is unavailable, and data for Montenegro is not available for the year 2023. The incidence of vulnerable employment is expressed by the Own-account workers and Contributing family workers as a proportion of the total employed. Source: ETF calculations on ILOSTAT data; Eurostat; KIESE data from national statistical offices.

Similarly, the total proportion of informal employment in non-agricultural employment (see graph below) has decreased in several countries (FR, PS, PT, ES, and TR), while some countries show similar proportions between 2015 and 2023 (EL, MT). Data, when exists, show that the proportion of women's informal employment in non-agricultural employment decreased in all volunteering countries between 2015 to 2023, while the proportion of men's informal employment in non-agricultural employment, it remained stable in some countries (FR, EL, MT, PS).

Graph 14. The proportion of informal employment in non-agricultural employment, 2015 and 2023*



*Note: Data for Algeria, Israel, Montenegro, Tunisia, and Morocco is unavailable.

Source: ILOSTAT

Regarding the policy implementation stage, volunteering countries indicate that their measures are primarily in the process of being implemented (for some policy measures FR, EL, MT, MA, PT) or fully executed (for some policy measures DZ, FR, ES, TR), though the specificity of reported progress varies considerably. Some countries mention precise "100% implementation", whereas others simply state "ongoing" without quantifying progress. Overall, the clarity and detail of policy implementation stages differ considerably across the countries. Compared to the 2021 report, only a few countries explicitly reported the informal economy through dedicated measures (MN, TR, ES), and data on informality was often lacking. By 2023, most volunteering countries report having legal frameworks or inter-institutional mechanisms in place to tackle undeclared work and provide more comprehensive data. This signals a broader and more coordinated approach to reducing informal employment across the UfM countries.

Box 3. Good practices by country under Dimension 3. Informal economy

Algeria presents its **Formalisation des entreprises informelles (Formalisation of Informal Enterprises)** measure. It streamlines business registration via single windows, introduces auto-entrepreneur status, and expands simplified social security coverage.

France highlights the [Améliorer l'efficacité des contrôles \(Improving the Effectiveness of Inspections\)](#) as part of the [PNLTI 2023–2027 plan](#), which reinforces cross-border collaboration in tackling fraud, promotes data-sharing through the IMI system, and encourages joint labour and social security inspections in high-risk sectors.

Examples of good regional practices:

The [Regional Team Europe Initiative \(TEI\)](#) on “Jobs through Trade and Investment in the Southern Neighbourhood” - [EU Neighbours](#) aims to boost jobs and growth in the region through inclusive entrepreneurship, as well as skills anticipation and development and recognition systems in the digital and green transitions, in particular for youth and women.

3.2 Pillar 2: Making labour markets more inclusive for workers and potentially vulnerable groups

Data collected for this pillar present continuous efforts in making policies for labour markets more inclusive for workers and potentially vulnerable groups. All volunteering countries have introduced different policy measures and programmes aiming to increase youth, women's and migrants' participation in labour markets. This Pillar includes data collected from all the volunteering countries participating in this monitoring round.

Dimension 1: Youth participation in the labour market

Youth policies and related regulations have attracted extreme attention across the UfM MS. This has signalled countries' growing recognition of young people's role in shaping economic growth and the labour market.

All the volunteering UfM MS participating in this monitoring round confirm the existence of formal policies addressing youth. These are often embedded within broader national strategies or stand-alone documents. Typically, these policy documents have been formally adopted, sometimes via ministerial decrees or parliamentary acts. For instance, Belgium's Youth strategy prioritises skill development, civic engagement, and cultural participation, striving to bolster young people's active role in society and the labour market. Meanwhile, Morocco enacts its *Stratégie Nationale Intégrée de*

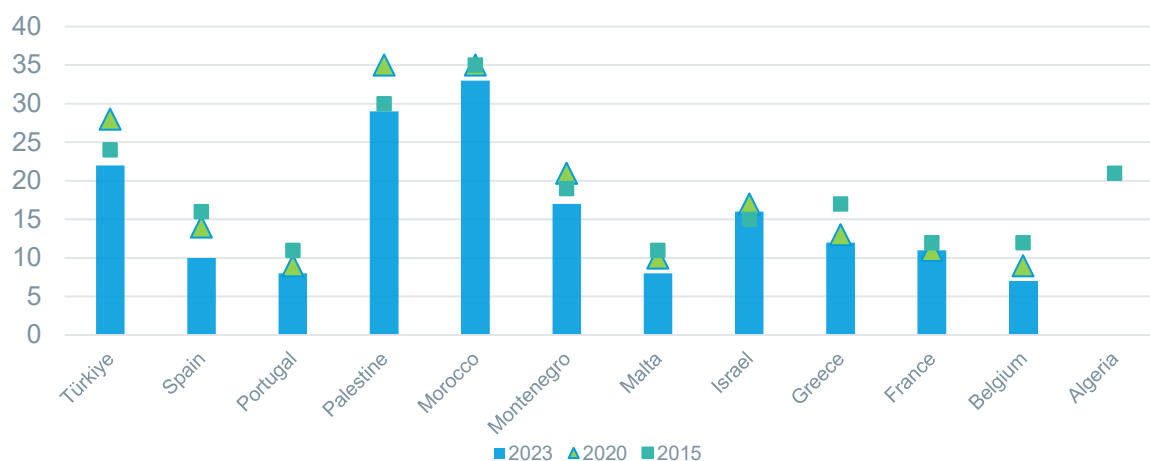
la Jeunesse, emphasising enhanced education, increased employability, and the promotion of youth entrepreneurship in both urban and rural contexts. Similarly, Türkiye's 2021–2023 National Youth Employment Strategy and Action Plan, coordinated by the Ministry of Labour and Social Security amid pandemic pressures, aimed to address barriers to youth employment by emphasising education-to-employment links, re-engaging NEET youth and anticipating future job trends. It was executed through targeted three-year action plans across multiple sectors. Overall, although countries may set different thematic priorities, most aim to reduce the NEETs (not in employment, education, and training) rates, align training with market needs, and promote inclusive growth. For Montenegro and other UfM Western Balkans members, efforts have also focused on the elaboration of Youth Guarantee Implementation Plans, as a follow-up to the EU – Western Balkans Employment Ministerial Declaration (2021).

In line with the emphasis on fostering stronger labour market entry, most UfM volunteering MS highlight the existence of dedicated youth employment programmes at national or local levels. These programmes take diverse forms, from subsidised internships and vocational apprenticeships to entrepreneurship grants. Several governments have also launched sector-specific initiatives, for instance, focusing on green jobs or digital skills (ES, TR) to harness the potential of emerging industries that appeal to younger demographics. It is common for some programmes to rely heavily on partnerships with the private sector, thereby facilitating job placements and structured on-the-job training (ME, PS, ES). Other initiatives centre on mentorship and counselling (DZ, MT, TR), recognising that soft skills and career guidance can significantly boost employability and meet labour-market needs. In some countries (FR, ME, MA, ES, TR), local administrations—particularly in regions with high youth unemployment—play an equally active role in implementing targeted interventions. Several countries also reported integrating [Youth Guarantee](#) into their national plans and programmes (MT, ME, ES, PT).

Volunteering countries also report that youth participation in the labour market is part of social dialogue (DZ, BE, FR, EL, MT, MA, PS, PT, ES, TR). For instance, Malta includes young delegates within the Civil Society Committee under the MCESD, ensuring that youth perspectives are integrated into key policy discussions. This structured approach fosters collaboration among social partners to enhance youth employment prospects. Algeria also includes youth via the Higher Council for Youth, which is an autonomous advisory body attached to the Algerian Presidency, established in 2021. Although Türkiye lacks a formal mechanism for youth representation, government agencies, employer associations, and trade unions are increasingly addressing youth employability and decent work opportunities in their dialogues.

Quantitative data, when exists, shows that the percentage of NEETs (see graph below) decreased between 2015 and 2023 in most UfM volunteering MS (BE, FR, EL, MT, ME, MA, PS, PT, ES, TN, TR), while Israel shows a slight increase in NEETs during this period. The percentage of women NEETs decreased in most countries (BE, FR, EL, IL, MT, MA, PS, PT, ES, TR) between 2015 and 2023, while in Montenegro, the percentage remained the same. The number of men NEETs also decreased in most countries (BE, FR, EL, MT, ME, MA, PT, ES) between 2015 and 2023, with some exceptions where the percentage increased (IL, TR) or remained the same (PS).

Graph 15. Youths not in employment, education or training-NEETs between 2015 and 2023*

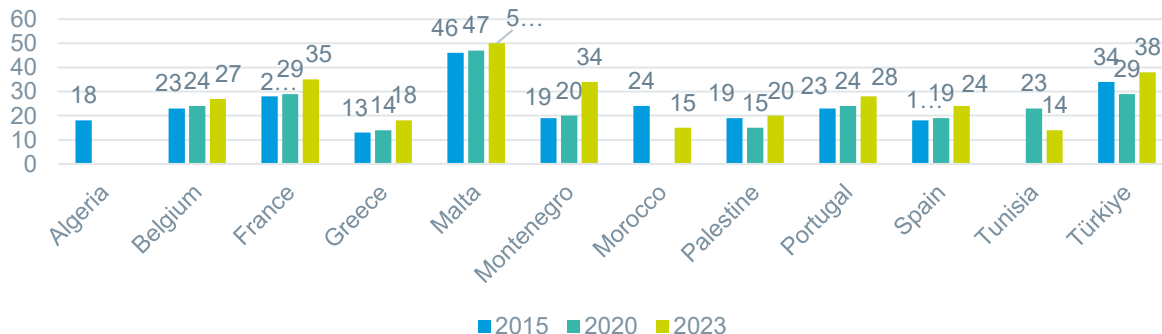


*Note: Data for Algeria is unavailable for 2020 and 2023.

Source: ILOSTAT modelled estimates, Eurostat; KIESE data from national statistical offices.

The youth employment rate increased in most countries (BE, FR, EL, MT, ME, PS, PT, ES, TR) between 2015 and 2023 (see graph below), though it decreased in some (MA, TN). Women youth employment rate during this period also increased in most countries (BE, FR, EL, MT, ME, PT, ES, TR) but decreased in a few others (MA, PS). The men's employment rate between 2015 and 2023 increased in most countries (DZ, BE, FR, EL, MT, ME, MA, PS, PT, ES, TR). However, employment should not be considered a primary objective at very early ages, such as 15–19, as this often contributes to early school leaving and dropout.

Graph 16. Youth employment rate (aged 15-24), 2015 and 2023*

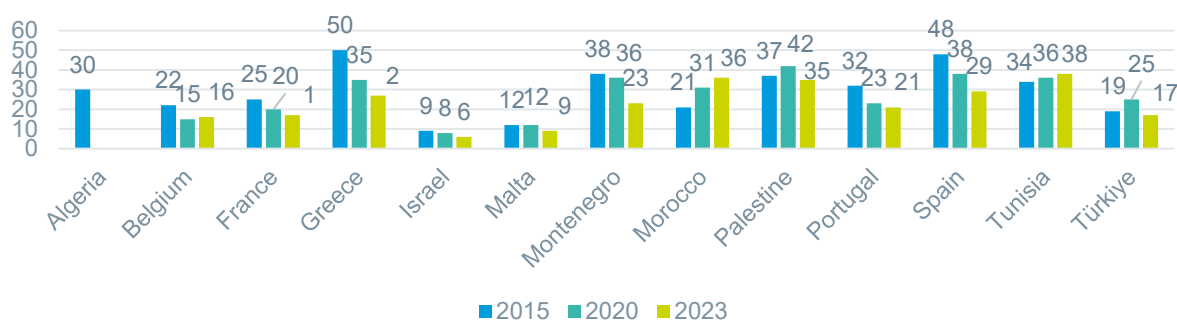


*Note: Data for Israel is not available. Data for Algeria is not available for the years 2020 and 2023. For Morocco, data is unavailable for 2020.

Source: ETF KIESE and EUROSTAT.

The total youth unemployment rate generally decreased in most volunteering UfM MS between 2015 and 2023 (BE, FR, EL, IL, MT, ME, PT, ES, TR), with some exceptions (MA, TN). The highest unemployment rate among EU MS remains in ES and EL; as well as in some AMC (MA, TN, PS).

Graph 17. Youth unemployment rate, 2015 and 2023*

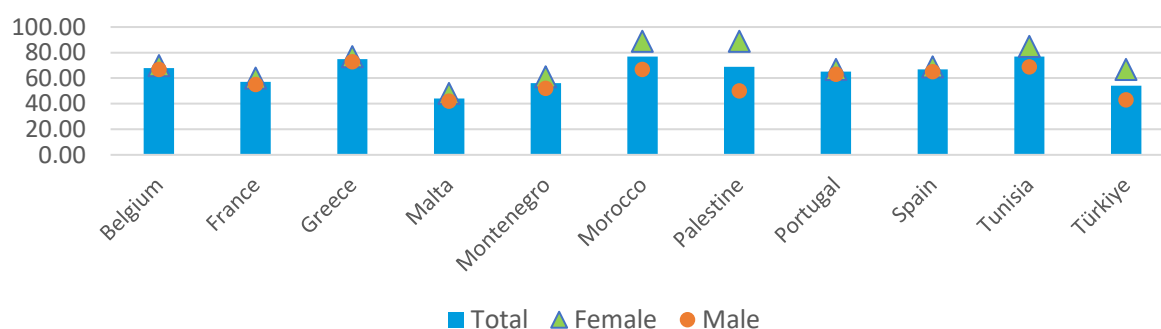


*Note: Data for Algeria is not available for the years 2020 and 2023.

Source: ETF KIESE and EUROSTAT.

Considering the youth inactivity rate by sex for the last available year (Graph 18), among UfM volunteering countries, in 2023, high youth inactivity rates are observed in some of the EU countries (EL, PT, ES) and AMC (MA, PS, TN). Higher youth inactivity rate of women remains higher in AMC (MA, PS, TN) in comparison to the EU MS. High youth inactivity rate of men is more present in some of the EU countries (EL) and AMC (MA, TN).

Graph 18. Youth inactivity rate: total, female, male, 2023



*Note: Data for Algeria and Israel is not available for 2023.

Source: ETF KIESE and EUROSTAT.

Regarding policy implementation stages, countries describe their youth employment measures as either fully implemented or in ongoing implementation. Some provide concrete details (e.g., percentages or precise timelines, such as FR, TR), while others simply note "implemented since" with minimal additional context (e.g., BE, EL, MT, MA, PT, ES). Compared to 2021, by 2023, nearly all volunteering countries report formal, wide-ranging youth policies and more comprehensive programmes, including measures such as teleworking regulations and sector-specific training. Despite this evolution, the overarching goal of reducing NEET rates and ensuring smoother school-to-work transitions for young people remains relevant across the UfM member states.

Box 4. Good practices by country under Dimension 1. Youth participation in the labour market

Belgium presents its **Impulsion -25 ans / Coup de Boost (Impulse -25 Years / Boost Shot)** measure targeting low-qualified jobseekers under 25. It subsidises newly hired youth for up to 36 months, and its "Coup de Boost" extension has shown strong outcomes in re-motivating and transitioning young people to employment.

Morocco highlights the **TAHFIZ programme**, which supports youth employment by encouraging new businesses, cooperatives, and associations to recruit young first-time job seekers. Running from 2015 to 2026, it offers social and tax incentives to reduce hiring costs, making it easier for small businesses to integrate young workers into the formal labour market.

Examples of good regional practices:

[VET toolkit for empowering NEETs](#) and [Offering mentorship programmes to NEETs](#) provides a toolkit and resources of support to young people not in employment, education or training and relevant mentorship programmes¹⁵.

Dimension 2: Women's participation in the labour market

Efforts to enhance women's participation in the labour market have gained momentum across the UfM MS, driven by governments' recognition that addressing gender gaps is key to equitable and stronger economic development. Recent monitoring data present a variety of policy instruments, programmes, and legal frameworks aimed at promoting women's participation in the labour market. These measures aim to facilitate a balance between career and personal responsibilities and integrating these concerns in social dialogue processes.

Almost all the UfM volunteering MS (DZ, BE, FR, EL, IL, MT, ME, MA, PS, PT, ES, TR) report having explicit policies or national strategies on gender equality and women's inclusion. In some cases, these policies appear as stand-alone frameworks, such as National Action Plans for Gender Equality or Women's Empowerment Strategies. Such legislation also includes equality clauses within broader employment or anti-discrimination statutes. Despite differences in scope and emphasis, several recurring strategic objectives emerge. The first common objective involves reducing women's unemployment or inactivity rates. A second focus is ensuring equal pay and career advancement opportunities, underpinned by measures such as wage transparency or anti-discrimination regulations. Legislation also stresses improving women's skills in STEM fields or digital competencies, while other documents mention the support for women entrepreneurs. For instance, France employs the Index égalité femmes-hommes, known as the 'Pénicaud' index and enacted by law in 2018, which is a mandatory metric for French companies (and progressively for the civil service since 2024), evaluating how effectively they minimise gender pay gap. It examines five criteria: pay gaps, salary increase gaps, promotion gaps, pay rise on return from maternity leave, and high-earning women. Low scores below thresholds trigger significant corrective measures. Morocco also seeks to boost women's economic empowerment. With 288 dedicated measures, Morocco's framework emphasises increased inclusion of women in education, entrepreneurship, and decent work. Similarly, Israel aims to reduce the gender pay gap by increasing the monthly salary of women aged 25–39 by an average of 2.6% annually until 2030, through enhanced career guidance, expanded access to vocational training and targeted legislative and policy measures.

Balancing work and life responsibilities has become central to women's participation in the labour market. This goal is met when men are equally empowered through flexible work arrangements and parental-leave options to equally share household responsibilities at home. Some UfM volunteering MS (DZ, BE, FR, EL, IL, MT, ME, PT, ES, TR) confirm having adopted regulatory frameworks for reconciling work and personal responsibilities and increasing equality between women and men. In several instances, governments introduced amendments specifically due to the pandemic, acknowledging the intensified burdens placed on working mothers. For instance, Malta transposed the EU Work-Life Balance Directive in 2022, guaranteeing paternity leave, carers' leave, and flexible

¹⁵ CEDEFOP, *VET toolkit for empowering NEETs*, accessible at: <https://www.cedefop.europa.eu/en/tools/neets>; CEDEFOP, *Offering mentorship programmes to NEETs*, accessible at: <https://www.cedefop.europa.eu/en/tools/neets/intervention-approaches/offering-mentorship-programmes-neets>"t " new

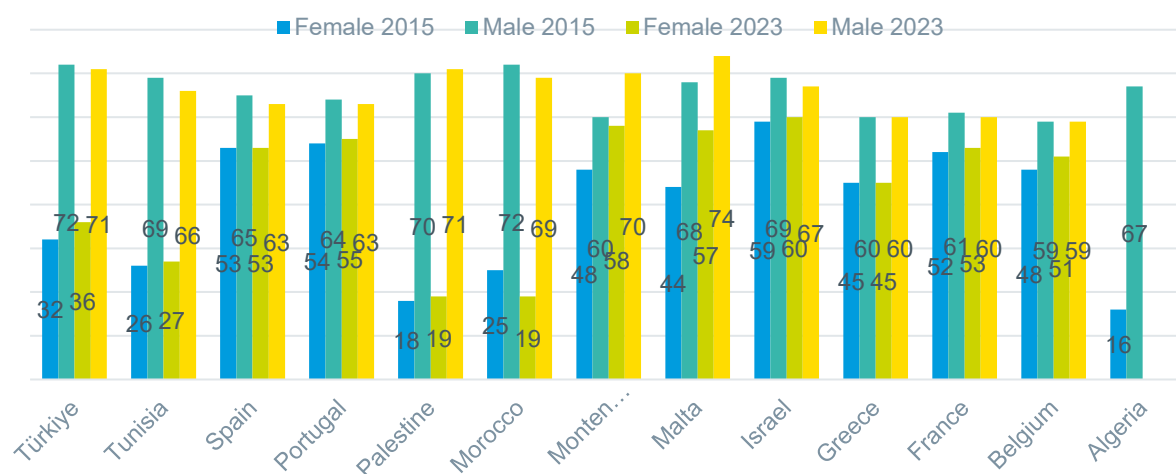
working. Similarly, Montenegro is currently harmonising its labour legislation with EU directives on work-life balance, including incorporating telework arrangements into the Labour Law. These agreements reflect an evolving legal landscape embracing the reconciliation of work and personal responsibilities. However, such evolution should not translate into an increased women's involvement in household responsibilities but rather foster conditions that encourage all persons to assume more equal roles at home and increase equality between women and men.

Several national or local-level programmes actively promote the integration of women into the labour market in most UfM volunteering MS (DZ, BE, FR, EL, IL, ME, MA, PS, PT, ES, TR). Commonly, these programmes offer a blend of financial incentives to encourage employers to recruit women—especially those returning to the labour market after a career break—and training vouchers to facilitate upskilling or reskilling. Some initiatives also target vulnerable groups—such as women in rural regions, those from low-income backgrounds, or migrants. For example, Belgium's "Bread & Roses" initiative, launched in April 2023, supports women in vulnerable positions by facilitating their entry or reintegration into quality employment. Meanwhile, Türkiye focuses on rural economic empowerment with its "Women in Rural Areas Program", which offers micro-credit for handicrafts and family-based businesses. In 2024, Israel also introduced a series of targeted employment programmes to support women from diverse backgrounds offering skills training, financial assistance, career guidance, and tailored employment services to enhance their integration in the labour market.

Social dialogue is also pivotal in shaping and implementing policies related to women's employment drawing together all relevant stakeholders. Some UfM volunteering MS (BE, FR, EL, IL, MT, ME, MA, PS, PT, ES) state that women's participation in the labour market is a part of social dialogue in their national contexts. For instance, Malta's Civil Society Committee includes a gender equality sector. Montenegro and Morocco highlight signed agreements or protocols fostering inclusion and ensuring pay equity, whereas Portugal and Spain embed these discussions in national employment councils. Although not formally mandated in Türkiye, emerging dialogue forums increasingly address women's employment.

Quantitative data, when exists, on labour force participation rates (formerly known as activity rates) between 2015 and 2023 show varying situations across the UfM countries. A slight increase in total labour force participation rate (graph 19) is presented in some countries (BE, MT, ME, PS, TR), while in others, the rate did not change during this period (FR, EL, IL, PT). Women's labour force participation rate increased in most volunteering countries (BE, FR, IL, MT, ME, PS, PT, TN, TR), remained the same (EL, ES), or decreased (MA). In contrast, the men's labour force participation rate most often decreased or remained the same (BE, FR, EL, IL, MA, PT, ES, TR), with some exceptions where it increased (MT, ME, PS).

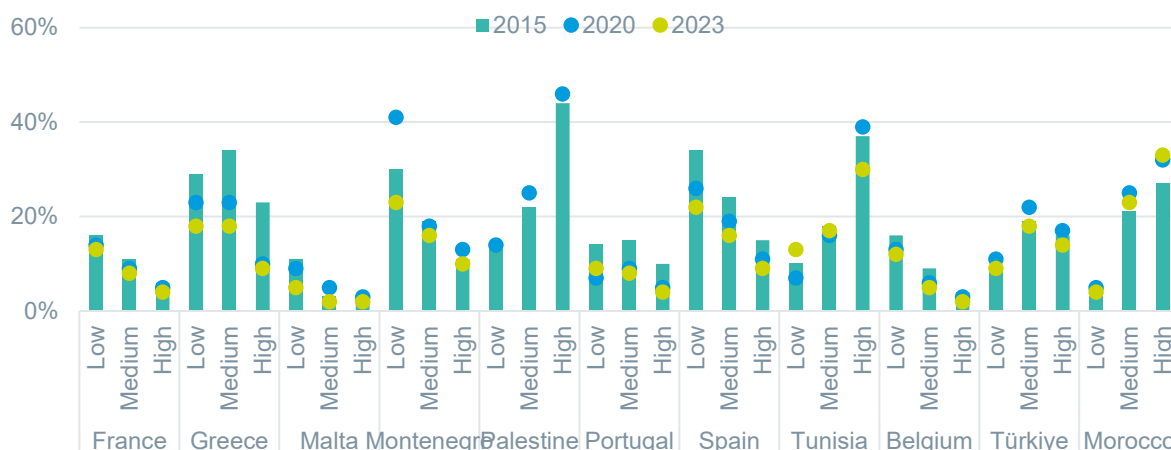
Graph 19: Labour Force Participation rate, 2015 and 2023*



***Note:** Data for Algeria is not available for the year 2023.
Source: Eurostat; KIESE data from national statistical offices.

Considering the unemployment rate by educational attainment, the total unemployment rate of women by educational attainment is higher in some EU countries (e.g., EL, ES) and AMC (MA, PS, TN). Particularly in AMC countries (MA, PS, TN), we observe an inverse correlation phenomenon where a high level of women's educational attainment does not correspond to a higher employment rate. This may imply that there is a mismatch between the skills available in the market and the demand of the private sector, that some sectors are saturated or that not enough jobs at certain skill levels are available.

Graph 20. Women's unemployment rate by educational attainment, 2015, 2020, and 2023*



*Note: Data for Algeria is not available, and data for Palestine is not available for the year 2023.
Source: Eurostat; KIESE data from national statistical offices

Regarding policy implementation stage reporting, the volunteering UfM MS provided concrete details about the implementation stage by indicating when a policy was launched, whether it is still ongoing, fully implemented, or closed for new applications. Many measures included specific dates or pilot phases (e.g., BE, EL, IL, MT, ES, TR), while others mentioned that they were in the process of being extended or adopted (such as in PT). Compared to 2021, there has been a notable shift towards comprehensive national strategies and enhanced regulatory measures by 2023, such as teleworking, digital skills training, and work-life balance reforms, coupled with active social dialogue, which have contributed to improved women's activity rates in many countries. Nonetheless, persistent challenges remain, particularly in achieving gender parity, for instance, in overall employment.

Box 5. Examples of good practices by countries under Dimension 2. Women's participation in the labour market

France presents its **Index égalité femmes-hommes**, known as the 'Pénicaud' index and enacted by law in 2018. It examines five criteria: pay gaps between women and men, gap in the distribution of individual raises, gap in the distribution of promotions (for companies with more than 250 employees), number of female employees receiving raises upon returning from maternity leave, and parity among the 10 highest-paid employees.

Türkiye highlights its goal of **increasing the female labour force participation rate as a part of the 12th Development Plan (2024-2028)**. This includes enhancing skills and education, ensuring work-life balance, and ensuring employment support. The women's employment rate increased from 29.4% in 2018 to 31.4% in 2023, targeting 36.2% by 2028.

Examples of good regional practices:

[Helping female NEETs \(re\)integrate into education, employment](#), or training provides a relevant toolkit for supporting women NEETs¹⁶.

Dimension 3: Migrants' participation in the labour market

Migration policies continue to shape labour markets throughout the UfM MS. Recent data obtained from the monitoring exercise underscores a growing consensus among volunteering countries that proactive measures are needed to facilitate migrant inclusion in economic and social life. However, the scope of such policies varies depending on national priorities, institutional capacities, and demographic pressures. Southern Mediterranean countries are increasingly becoming host countries for migrants, instead of countries of origin of migrants.

Many volunteering UfM MS (BE, FR, EL, IL, ME, MA, PT, ES, TR) confirm having established migration policies. In some cases, these policies are part of dedicated migration strategies, while in others, they are integrated into broader legislative frameworks or national action plans. These policies often stress the importance of regulating migratory flows, safeguarding basic human rights, and addressing labour market imbalances. While migration policies in some countries explicitly target highly skilled workers, others emphasise humanitarian considerations and the integration of refugees. For instance, Belgium aims to raise employment rates among individuals born outside the EU by 14 percentage points, from 44.2% to above 58.3%. Meanwhile, Morocco integrates migrants through its *Stratégie Nationale d'Immigration et d'Asile* (SNIA), focusing on rights-based frameworks to improve access to health, education, and formal work. Complementary strategies, such as the *Stratégie Nationale de Mobilité Professionnelle Internationale* (SNMPI), emphasise economic opportunities for Moroccan workers abroad. In addition, Portugal, in 2019, approved a National Implementation Plan of the UN Global Compact for Migration, encompassing several dimensions, such as education, health, employment, social support, etc. During COVID-19, multiple measures were adopted to safeguard migrants and provide them with access to healthcare, social support, employment, and housing. Meanwhile, Israel is currently elaborating a Migration Framework policy with a dedicated task force which produces analysis and gathers evidence on the migration situation in the country to come up with a set of policy objectives to tackle the increasing illegal migration flows. Overall, these policies highlight the importance of boosting migrant employability, skills recognition, and broader social inclusion.

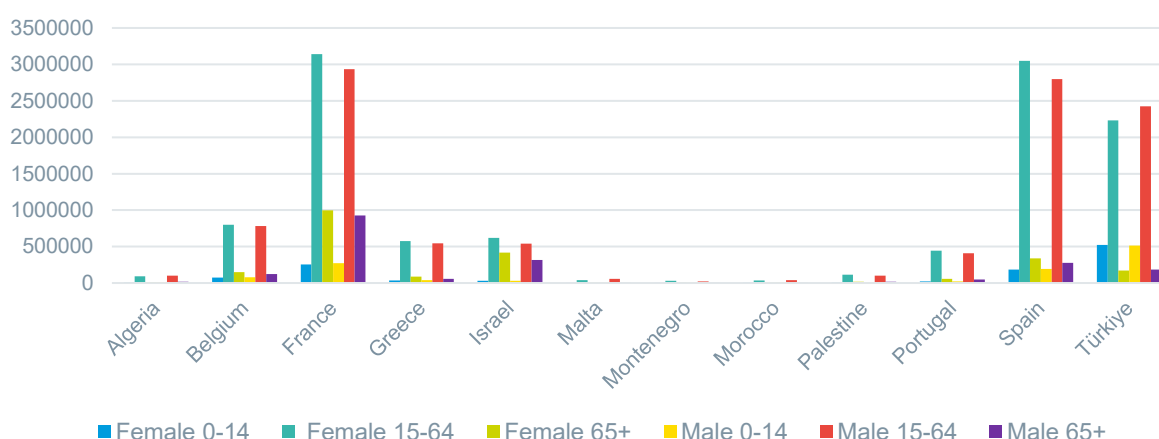
Volunteering countries run various national or local employment programmes designed to support migrants (FR, EL, MT, ME, MA, PT, ES, TR). These range from comprehensive ALMPs that prioritise disadvantaged groups—including migrants—to more tailored initiatives that address language barriers and credential recognition, among others. For instance, Belgium does not offer specific nationwide programmes, but migrants benefit from general labour measures supplemented by local anti-discrimination strategies. On the other hand, France provides targeted initiatives such as "Emploi et Intégration," offering professional guidance, language training, and tailored support for newcomers. Meanwhile, Türkiye operates several schemes, including the Supporting Transition to the Labour Market Project, which offers vocational training and financial support to refugees and Turkish citizens with EU funding. Portugal has established an Occupational Insertion Offices Network for Immigrants, which supports unemployed young people and adults with migrant backgrounds in entering or re-entering the labour market, in coordination with local Employment Centres. This network, comprising 23 centres across the country, is a partnership between the High Commission for Migration and the Employment and Professional Training Institute. Spain also implements the Youth Guarantee Plus Plan 2021-2027, which contains measures on comprehensive employment actions aimed at young migrants to promote labour market integration. These examples demonstrate a set of measures adopted to enhance access, develop skills, and ensure long-term employability for migrant workers.

¹⁶ CEDEFOP, *Helping female NEETs (re)integrate into education, employment or training*, accessible at: <https://www.cedefop.europa.eu/en/tools/neets/intervention-approaches/helping-female-neets-reintegrate-education-employment-or>

In some volunteering countries, mostly in EU MS, migrant participation in the labour market forms part of social dialogue (BE, FR, EL, MT, PT, ES) to varying degrees. Belgium and France, for instance, engage trade unions and employer organisations in discussions on professional integration and equality of treatment, while Greece involves social partners in its Public Employment Service governance. Portugal's INTEGRAR Programme is deliberated with social partners through the Permanent Commission for Social Concertation, and Spain's social partners participate in its National Employment System Council to shape migrant employment measures.

As presented in the graph below for 2020, considering the number of migrants, in most countries, the 15-64 age group was the largest for both genders, demonstrating a typical working-age population structure. The 65+ age group had more females than males in many countries, particularly in France, Belgium, and Greece, probably due to higher female life expectancy. In contrast, Algeria had a relatively higher proportion of younger age groups (0-14), suggesting a younger population structure, while Malta and Montenegro had the smallest overall migrant populations.

Graph 21: International migrant stock of mid-year, 2020*

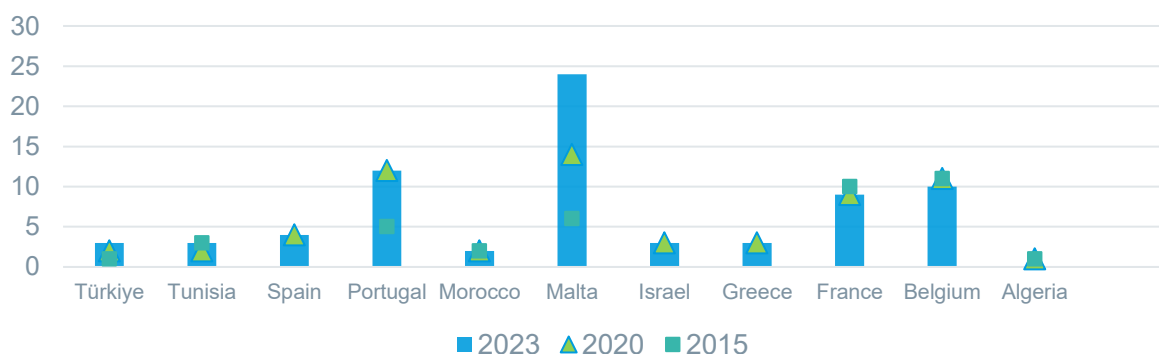


*Note: The data for Palestine includes East Jerusalem. Refugees are not part of the foreign-born migrant stock in the State of Palestine.

Source: UNDP.

Considering the inbound mobility rate¹⁷, in most of countries, it increased (MT, PT, TN, TR) or remained stable (EL, IL, MA) between 2015 and 2023, while for some countries, the rate decreased (DZ, BE, FR).

Graph 22: Inbound mobility rate between 2015 to 2023*



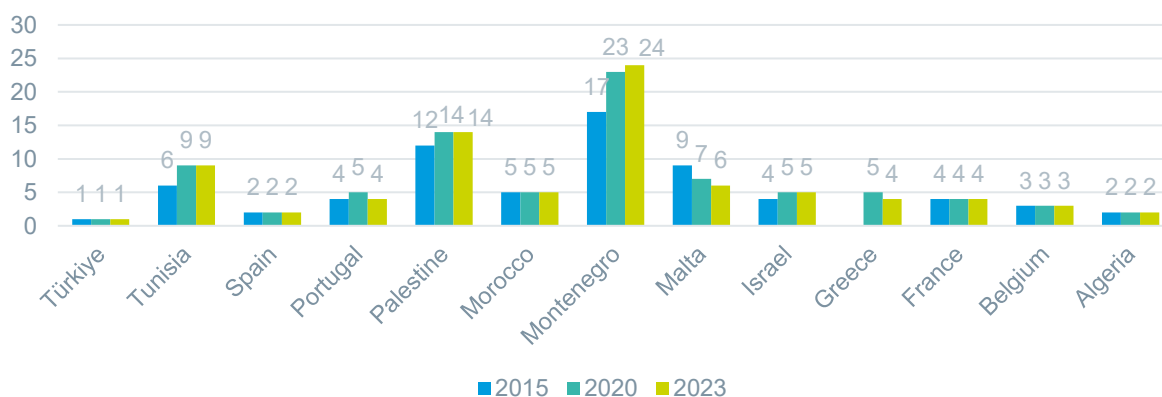
*Note: No data is available for Montenegro and Palestine. Data for the year 2015 is not available for Greece, Israel, and Spain.

Source: UNESCO Institute for Statistics.

¹⁷ Inbound mobility rate: Number of students from abroad studying in a given country, expressed as a percentage of total tertiary enrolment in that country. Definition by UNESCO, available at: <https://uis.unesco.org/en/glossary-term/inbound-mobility-rate>

Regarding the outbound mobility ratio¹⁸, it remained stable in most of the volunteering countries (DZ, BE, FR, MA, PT, TR), while in some countries, it increased (IL, ME, PS) or slightly decreased (EL, MT, TN) between 2015 to 2023.

Graph 23. Outbound mobility ratio between 2015 to 2023*



*Note: Data for Greece is not available for the year 2015.

Source: UNESCO Institute for Statistics.

Overall, policy measures provided, including the reporting of the policy implementation stage, are presented briefly as "adopted" or "implemented," while specific dates accompany only some. Compared to 2021, there is more emphasis on comprehensive frameworks in most of the volunteering countries by 2023 that highlight migrant inclusion through skills recognition, social dialogue, and targeted initiatives to boost employability while still retaining a core focus on regulating migration flows and optimising labour market benefits.

Box 6. Examples of good practices by countries under Dimension 3. Migrants' participation in the labour market

Spain presents its **Reform of the Migration Regulation** introduced in 2022. It facilitates both regular labour migration from abroad and simpler processes for people already in the country; the measure promotes multi-year circular migration and improved conditions.

Türkiye highlights the **Tech Visa Programme** designed to attract top-tier talent in technology and innovation. It was introduced in 2024 to facilitate the attraction of highly skilled professionals and innovative tech entrepreneurs, fostering technological advancement and economic growth.

3.3 Pillar 3: Preparing for work: skills and lifelong learning¹⁹

This chapter outlines the results of actions taken in three key areas of policy and practice across the ten countries participating in the UfM monitoring: DZ, FR, EL, MT, ME, MA, PS, PT, ES, and TR. The areas covered are: 1) access and participation in opportunities for lifelong learning; 2) quality, innovation, and excellence in lifelong learning; and 3) system organisation.

In line with the approach endorsed by UfM participating countries, the results are expressed through System Performance Indices (SPIs). These are composite measures used in ETF monitoring to

¹⁸ Outbound mobility ratio: Number of students from a given country studying abroad, expressed as a percentage of total tertiary enrolment in that country. Definition by UNESCO, available at: <https://uis.unesco.org/en/glossary-term/outbound-mobility-ratio>

¹⁹ Comprehensive data and outcomes can be found in the specific country report developed by ETF, as well as TRP publications for ETF-PCs published in ETF. Available at: <https://www.etf.europa.eu/en/what-we-do/policy-analysis-and-progress-monitoring-torino-process>

assess how well education and training systems perform in the three areas above. Each SPI brings together multiple quantitative indicators and expert assessments into a single score per area, ranging from 0 to 100, with higher values indicating stronger performance. In this context, “performance” refers to the extent to which national VET systems deliver on a targeted selection of commitments to learners and other stakeholders in support of lifelong learning. The term “system” is understood broadly to include the network of institutions, people, policies, practices, resources, and methodologies in a country, and the way they are organised to equip individuals of any age and setting with the skills, knowledge, and competences needed for specific occupations, trades, or professions.

Chapter 3.3 synthesises the findings from the ten country reports prepared for each of the participating countries. Its purpose is to present the results across countries in a concise form. The country reports, in turn, provide a broader evidence base, including additional key indicators on education, skills and employment (KIESE), contextual information such as national policy measures and examples of good practice, which together form the basis for the calculation of the SPIs.

The ETF KIESE database for 2024 is [available here](#). The Torino Process database with all SPIs for 2024 is [available here](#). The questionnaires for all countries can be [accessed here](#). A description of the monitoring methodology is [available here](#).

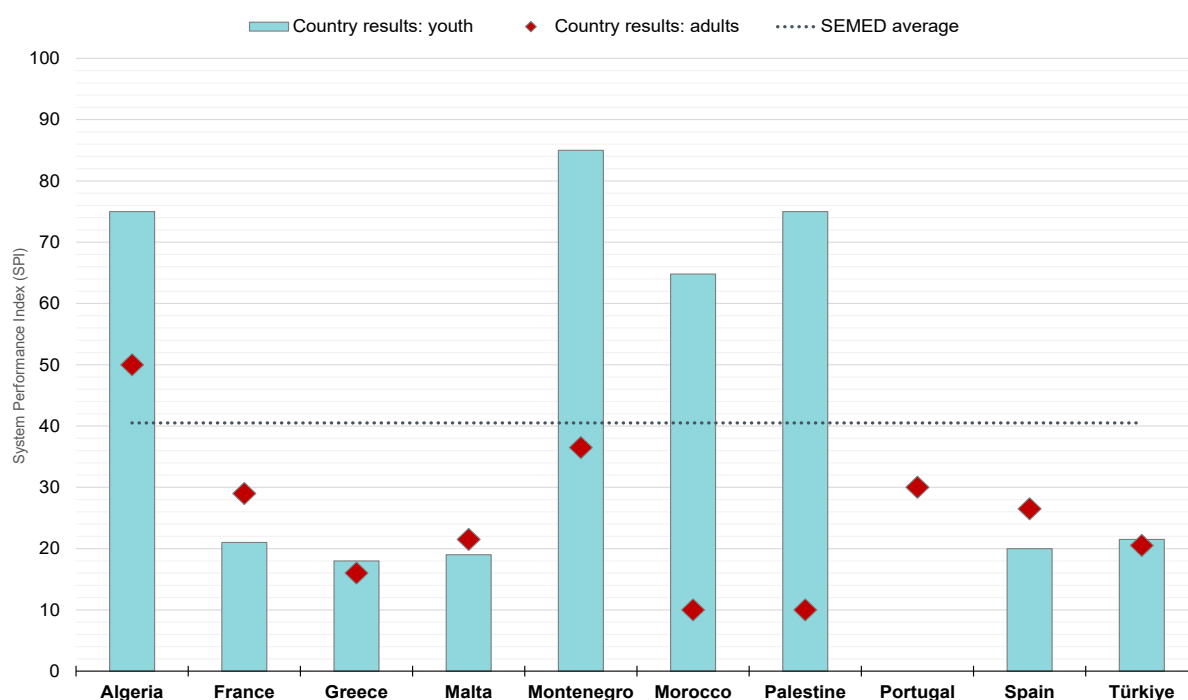
Dimension 1: Access and participation in learning for youth and adults

This section examines how well countries in the UfM monitoring sample provide learning opportunities for youth through initial VET, and for adults through continuing VET and other forms of learning beyond formal VET (e.g., training in the context of active labour market policies). The section also considers the extent to which learners are able to progress within their chosen programmes, switch between programmes, and graduate.

The monitoring results in the domain of access to initial VET (IVET) reflect both the choices learners make, which in most countries favour academic tracks, and the extent to which vocational education is available, appealing, and accessible. Countries vary greatly in this respect. In EU countries, for instance, access to IVET is an area of below average results (see Graph below), which suggests that vocational pathways are less attractive and less frequently chosen, but also that young learners have a broader range of choices, which may include general education pathways that are less restrictive and more widely available than in ETF partner countries, on average (Outcome A.1.1, which covers access to IVET for youth). Some countries are trying to promote VET more proactively. Greece, for example, has improved IVET attractiveness through reforms that integrate digital skills, stronger links with labour market needs, and greater permeability to higher education.

In contrast, the policies of ETF partner countries that seek to improve access, tend to give greater strategic weight to vocational education. In Montenegro, vocational pathways are increasingly positioned as a priority within the education system, supported by efforts to improve programme quality and modernise curricula. In Morocco and Algeria, VET has traditionally played a strong role and continues to attract high levels of demand. In Morocco in particular, this demand – combined with a selective admissions process – suggests that vocational pathways are not only well established but also perceived as desirable and competitive alternatives to general education (Outcome A.1.1, SPI of 35).

Graph 24: Dimension 1: System performance in support of access and participation in opportunities for LLL, by age of learners and country (2024, Outcomes A.1.1 and A.1.2/A.1.3)



Source: ETF's Key Indicators on Education, Skills and Employment (KIESE) and the Torino Process database.

While IVET targets young learners at the start of their educational or professional pathways, **continuing VET (CVET)** supports adults in acquiring new skills, updating existing ones, or re-entering the labour market. Access to such opportunities varies considerably across countries, as CVET in most countries is less centralised, less institutionalised, and more fragmented in terms of governance and provision than IVET. In France and Portugal, there are established opportunities for adults to engage in vocational learning later in life, but despite this support, participation remains modest (Outcome A.1.2, which covers access to CVET for adults, SPIs of 36). CVET struggles to reach adult learners also in Greece, where programmes that align with labour market needs do exist, but where participation remains limited and recognition of prior learning requires improvement. Among ETF partner countries, Algeria reports of particularly strong results in this area, but system performance in most other partner countries is comparable or below that of the EU countries in the sample.

Adult learning opportunities outside formal VET – such as training through active labour market policies, participation in the validation of non-formal and informal learning, and other forms of flexible provision – remain limited in most countries (Outcome A.1.3, which covers access to other opportunities for lifelong learning, e.g. ALMPs). The limitations are in part due to gaps in provision – such as the absence of structured programmes or weak institutional frameworks—but also reflect low levels of participation, which may be linked to limited awareness, low demand, or barriers to access. For instance, Malta has launched applications for the Work Exposure and Traineeship Schemes under ESF+ 2021–2027. These initiatives support unemployed individuals through practical training and placements, helping them gain relevant skills while offering employers access to potential future employees. Montenegro also performs relatively well in this domain by offering a range of options including labour market training and having put in place arrangements for the recognition of prior learning. In contrast, Morocco and Palestine report persistently low engagement while in Türkiye, performance has improved over the past years due to more targeted and responsive provision. In several EU Member States, such as France (personal training accounts – CPF) and Malta, institutional arrangements for adult learning beyond formal VET are well in place, but prospective learners are yet to make full use of the available opportunities.

To what extent can **learners progress within and beyond VET** – moving, for example, into tertiary education or other opportunities that require successful completion of a VET programme (Outcome A.2.1, **vertical permeability**). In some countries, such as Greece and Portugal, the conditions supporting vertical transitions are relatively strong, and most upper-secondary VET graduates have access to higher education (SPIs of 45 and 47). In Portugal, IVET graduates, especially those completing upper secondary programmes, receive a double certification – both academic and professional – which enables further study in general non-tertiary education or access to higher education, including through special entrance competitions. CVET programmes and Apprenticeship and Apprenticeship+ courses also offer dual certification, facilitating similar progression opportunities. In Morocco, such opportunities are more limited (SPI of 22). It is important to note, however, that lower results against this outcome should not necessarily be interpreted as a systemic weakness. In many ETF partner countries—for example, Algeria—the primary aim of vocational programmes is to prepare learners for employment rather than for further academic study. In such cases, lower levels of vertical permeability are consistent with the intended role of VET, although this can reduce the attractiveness of VET and restricts the choices of graduates. Other contexts, such as France, Malta and Spain, may place fewer formal restrictions on progression. In these systems, vertical pathways exist but often require additional support—such as bridging programmes—to enable learners to continue their education beyond VET.

Horizontal permeability (Outcome A.2.2) refers to the extent to which learners can move between different types of education – such as from vocational to general pathways – and the degree to which prior learning, including that acquired outside formal education, can be recognised to support such transitions. Opportunities for these types of movement vary considerably across countries. In Morocco, they remain limited, partly due to still nascent mechanisms for recognising prior learning. In contrast, the system in Palestine offers greater flexibility, with arrangements in place to validate learning outside formal education and support transitions between educational routes (SPI of 38). Some EU countries, including Malta, have introduced practical arrangements to support horizontal movement, such as flexible exit points and structured guidance services (SPI of 35). Similarly, Greece has legal frameworks that permit horizontal transitions between vocational and general education. However, actual uptake remains modest.

Outcome A.2.3 concerns the extent to which learners successfully **complete their vocational programmes** in preparation for transition to further learning or the labour market. Results in this area vary widely across countries. In Türkiye, employment-focused programmes contribute to relatively high levels of completion, but a recent rise in non-certification has led to a modest decline in overall performance. In Türkiye, the strong labour-market orientation of many programmes supports relatively high completion rates, but a recent increase in learners finishing without certification has offset this advantage, leading to a modest decline in overall performance (SPI of 26). In Greece, most learners graduate from initial VET, but relatively few progress to higher levels of learning (SPI of 33). In Portugal, the 'A+A Plan', approved in 2024, aims to improve learning outcomes and integration of migrant students across all pathways, including IVET. For CVET, support structures such as the Qualifica Centres and IEFP training centres provide close guidance and monitoring to reduce drop-out risks.

Interventions, such as career counselling and practical workshops organised by professional development offices, are increasingly used to help learners complete VET programmes. Spain performs more strongly, with both high completion rates and a majority of initial VET graduates continuing their education (SPI of 45). These differences point to the value of targeted measures – such as bridging routes, structured guidance, and dropout-prevention initiatives – in helping learners complete their programmes and continue their education.

Box 7. Examples of good practices by countries under Dimension 1. Access, Participation, and Opportunities for Lifelong Learning

Portugal presents **Qualifica Accelerator (Acelerador Qualifica)**. Established under the Recovery and Resilience Plan, it incentivises adults lacking a secondary-level qualification to complete Recognition, Validation, and Certification of Competences.

Montenegro highlights the **Retraining & Continuing Training for Adults initiative**. In line with the National Adult Education Strategy (2015–2025), it licenses training providers, fosters multiple projects (like EPALE), and broadens the range of lifelong learning courses to boost employment and social inclusion.

Dimension 2: Quality, innovation, and excellence in lifelong learning

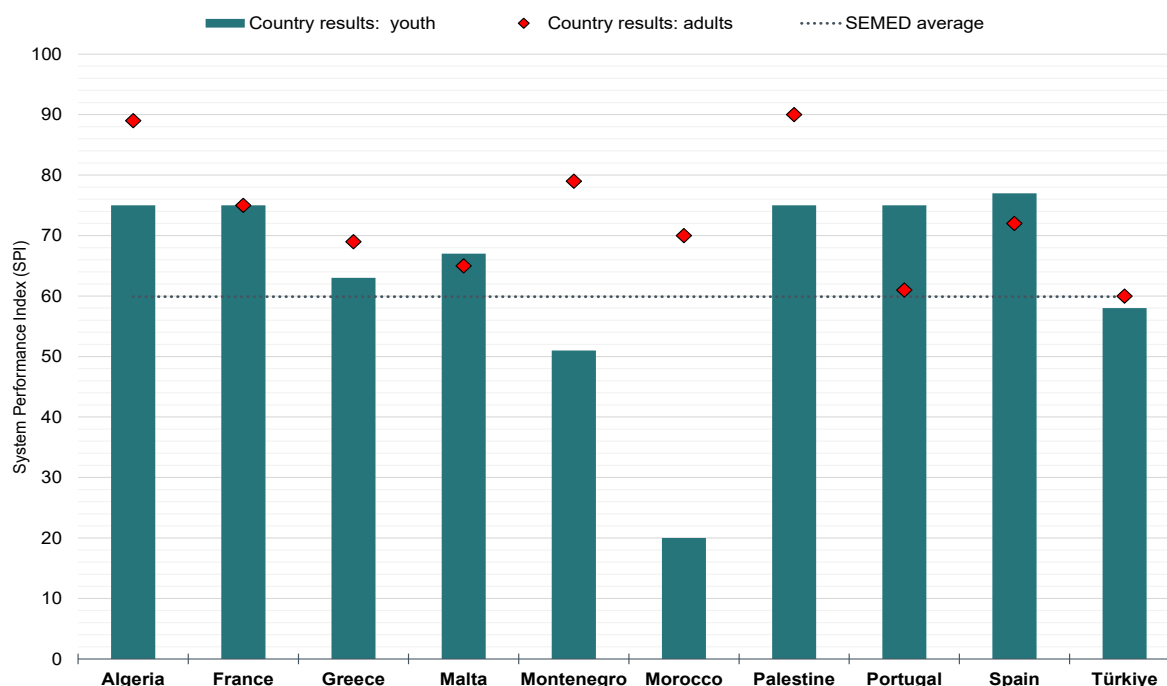
Dimension 2 covers quality and relevance of VET and adult education, as well as innovation and excellence in these domains of education and training.

Quality and relevance in education and training are closely linked, yet distinct dimensions of system performance²⁰. In the context of ETF and UfM monitoring in Dimension 2, ‘quality’ refers to the extent to which learners acquire basic skills and key competences needed for personal development and active participation in society. This aspect reflects the effectiveness of teaching methods, the clarity and relevance of learning content, and the broader conditions under which learning takes place. ‘Relevance’, in turn, concerns how well the outcomes of education and training align with real-world demands – whether learners are equipped to find employment, respond to labour market needs, or pursue further learning.

Performance under Outcome B.1.1 reflects **how well IVET programmes equip young learners with foundational competences** such as literacy, numeracy, and digital skills. The results vary significantly across countries, in line with differences in how national VET systems support the development of core capabilities that are essential for learning, work, and life. In the EU, France and Portugal show relatively consistent integration and delivery of key competences through vocational pathways (SPIs of 75 in both countries). More specifically, in Greece, equipping IVET learners with foundational skills such as literacy and numeracy is a priority, but it requires additional curricular emphasis. In Portugal, on the other hand while there is currently no systematic diagnostic assessment of basic skills at the start of IVET programmes, IVET curricula are designed to equip students with both technical and transversal competences.

²⁰ The distinction between quality and relevance draws on the conceptual framing used in the annual ETF cross-country monitoring report on key developments in education, skills, and employment (ETF, 2024a).

Graph 25. Dimension 2: System performance in support of quality and relevance in VET, by age and country (2024, Outcomes B.1.1 and B.1.2)



Source: ETF's Key Indicators on Education, Skills and Employment (KIESE) and the Torino Process database.

However, the presence of underachievement among 15-year-olds in core subjects continues to signal the presence of weaknesses in the delivery of foundational learning outcomes for some groups of young learners. Türkiye has shown some improvement in this area. Gains in PISA results for mathematics and science point to a gradual strengthening of foundational competences in initial VET, in a context of ongoing curricular reform and investments in teacher development. However, overall performance in this domain has scope for further improvement. IVET in Palestine delivers relatively strong results in promoting basic competences, particularly in literacy and IT (SPI of 75). Results for Malta are somewhat lower, though still indicative of a reasonably solid delivery of foundational competences in initial vocational programmes (SPI of 67).

Outcome B.1.2 provides a snapshot of **foundational skill levels among working-age adults** across countries. In Algeria, continuing VET programmes that emphasise basic and transversal competences appear to support strong outcomes for adults (SPI of 89), even as youth performance remains weaker. Palestine and Montenegro also perform well in this area (SPIs of 90 and 79, respectively). In the EU, France has integrated foundational competences into both upper-secondary and adult provision (SPI of 75), but data from the PIAAC survey suggest that adult literacy and numeracy remain areas for further investment. Malta and Türkiye show more moderate results (SPIs of 65 and 60), which points to a continued need to strengthen basic skills provision for adult learners. CVET learners in Greece reportedly experience difficulties when they attempt to transfer problem-solving skills to new contexts. The availability of digital competences remains uneven, and this issue particularly affects older adults and low-skilled learners. In Portugal too, the 2023 PIAAC data show that basic competences such as literacy and numeracy are below the OECD average. Although CVET programmes include WBL components and aim at a close alignment with employer needs, their relevance and impact vary across sectors and regions. As a remedy, Portugal has introduced initiatives such as the UpSkill – Digital Skills & Jobs and Pro_MOV which, in partnership with employers, try to respond directly to skills shortages.

Outcome B.1.4, which focuses on the **employability of graduates from IVET programmes**, offers an indication of how well foundational skills and other learning outcomes translate into successful transitions to work. In France, VET appears to provide many learners with a solid basis for entering employment (SPI of 76). Positive results are also reported in Algeria and Greece (SPIs of 75 and 62,

respectively). In Malta, on the other hand, learners seem more likely to face challenges in making the transition to work (SPI of 50), while in Morocco, outcomes are considerably stronger and suggest that many graduates do succeed in entering employment (SPI of 80). It is important to note, however, that such results may also reflect broader contextual factors – such as labour market selectivity, informality, or the extent to which VET is oriented primarily towards direct employment rather than further academic progression – rather than system performance alone.

The extent to which learners can apply their skills in real-world settings depends on how effectively vocational education is **connected to the world of work**. Across countries, learners encounter very different opportunities to gain workplace experience during their vocational education, depending on how well such learning is integrated into training programmes (Outcome B.1.3). In Türkiye and Algeria, learners benefit from structured workplace learning opportunities supported by employer engagement and national frameworks that promote practical training (SPIs of 75 in both countries). In contrast, learners in Greece and France have fewer such opportunities, as participation in work-based learning remains limited overall (SPIs of 10 and 19, respectively). However, in Greece specifically, Vocational Apprenticeship Schools (EPAS) under DYPA do offer structured on-the-job training, which has proven effective for certain learners, particularly in technical occupations. In Malta, Montenegro, and Palestine, learners have some access to workplace experience during their vocational education, though the integration of such opportunities into programmes remains moderate (SPIs of 50). In Morocco, access to practical experience during training is more limited, as learners in that context are less exposed to work environments during their VET training.

Career guidance can help learners understand their options, make informed decisions, and navigate pathways into and through VET. Across countries, access to such support varies considerably (Outcome B.1.5). In Greece and Palestine, guidance is often provided through external services or only becomes available after learners have left formal education, limiting its usefulness during key transitions (SPIs of 53 and 50, respectively). In contrast, Türkiye, Montenegro, and Morocco, report of more structured arrangements in place. Consequently, VET learners in these countries are more likely to benefit from stronger in-school provision of career guidance services. In Portugal and Spain, the monitoring results suggest that opportunities for structured career guidance are somewhat more limited.

VET systems are increasingly expected to respond to strategic societal and labour market priorities, such as the **green and digital transitions**, which will shape skills demand over the longer term.

Outcome B.4.1 shows that many countries have begun integrating environmental content into VET curricula. Malta, Morocco, and Türkiye, for instance, report targeted initiatives such as energy transition modules and climate-related training (SPIs of 90, 81, and 84, respectively). In Greece, new VET curricula and training guidelines increasingly include green skills, particularly in fields like energy transition and environmental technologies. In other contexts, coverage of green skills appears more limited or uneven, particularly in adult learning. With regard to digital content and digitalisation (Outcome B.4.2), Portugal and Malta offer reasonable access to digital tools (SPIs of 59 and 47), while France, Spain, and Palestine report stronger overall performance (SPIs of 66, 73, and 75). Türkiye has made some progress in digital content since 2023, although this area remains less developed compared to the performance of VET in integrating green skills into curricula.

Finally, Outcome B.4.3 highlights **how responsive VET systems** are to current needs in the labour market. In the EU countries covered by this monitoring, curricula are regularly updated in consultation with employers and other partners. This contributes to relatively strong results and often reflects well-established processes for engaging stakeholders in programme design, although these may not always ensure that training provision adapts consistently in practice. In other countries, skill mismatches remain a challenge, and efforts to adjust provision are not always timely or equally responsive across sectors or learner groups. For instance, the results in Türkiye, Morocco, and Montenegro suggest that there may be room to strengthen responsiveness through better coordination with employers and greater flexibility in updating training content.

The next part of this section considers how the VET systems of UfM countries perform in terms of excellence and innovation. Excellence refers to the presence of policies and practices that promote

high standards across key areas of vocational education and training, including pedagogy, programme content, governance, and inclusion. Innovation, on the other hand, reflects the extent to which VET systems are open to new solutions in response to evolving needs in education, society, and the labour market²¹.

VET systems across the UfM region differ in how consistently they promote excellence in key areas of practice. In Algeria and Palestine, policy frameworks include measures to strengthen **teaching and support educators** – particularly in areas like green and digital competences (Outcome B.2.1). In Portugal and Spain, professional development structures are in place, but the arrangements appear less developed in terms of promoting excellence across the system.

In relation to **programme content and implementation**, Malta and Montenegro have taken steps to align curricula with labour market needs, though ensuring consistent quality across delivery remains a challenge (Outcome B.2.2). Portugal reports more established mechanisms in this area, which suggests the presence of a stronger policy focus on excellence in programme design.

Governance arrangements also differ in the extent to which they support **excellence in the provision of learning content** (Outcome B.2.3). In Greece, well-defined procedures contribute to coherence and accountability, while in Palestine, governance practices are evolving with the aim of strengthening strategic planning and stakeholder engagement.

Excellence in promoting social inclusion is a priority for a number of countries in the UfM sample (Outcome B.2.4). Algeria, Türkiye, and Malta have introduced targeted measures to support disadvantaged groups. While the consistency and reach of these efforts may vary, they indicate ongoing attention to promoting systemic solutions in support of inclusion.

Approaches to innovation in VET, and the degree to which the VET systems of countries in the monitoring sample are open to it, vary as well across the countries in the sample. Türkiye, France, and Portugal, for example report of perceptiveness towards **innovation in expanding access to learning**, which includes solutions like modular formats and digital entitlements (Outcome B.3.1). Malta and Greece also demonstrate openness in this area. Montenegro, on the other hand, appears at an earlier stage of development.

Some VET systems have taken steps to explore alternative, **innovative approaches to supporting participation and completion** (Outcome B.3.2). Portugal and Türkiye, for instance have introduced support measures which often involved digital tools that aim to strengthen learner engagement and reduce dropout. Morocco, France, and Montenegro are open to innovation in this area, though current arrangements appear somewhat less robust than in other VET systems – and even more limited in Malta.

In countries that appear open to **innovation in how learning quality might be improved** (Outcome B.3.3), arrangements in Greece, Portugal, and Spain include the use of digital tools and updated certification processes. Malta and France have also introduced measures to modernise aspects of learning delivery. In Algeria and Palestine, such features are currently less evident, suggesting that innovation in this area is still developing.

Efforts to keep **training relevant through innovation** are more prominent in some VET systems than in others. In Spain, Algeria, Malta, and France, employer collaboration and sector-focused initiatives—such as energy transition hubs—form part of current provision. In Greece and Portugal, innovation in this area appears more limited. Some practices are emerging, but they have yet to gain broader traction.

²¹ Based on definitions developed for the purpose of Torino Process monitoring in 2022-2024 and described in (ETF, 2024b), accessible at: <https://bit.ly/47YGA6l>.

Box 8. Examples of good practices by countries under Dimension 2. Quality and relevance of lifelong learning

Palestine presents a **National TVET Fund**, backed by an approved strategy for resource development and fundraising, created to secure sufficient resources for vocational education and training. The initiative is still in the planning phase, with implementation planned for 2025 and indicators set to monitor funding levels and institutional uptake.

Spain highlights the **Network of Public Centres for Guidance, Entrepreneurship, Support & Innovation in Employment (COE Network)**. Formed under the National Recovery, Transformation and Resilience Plan, these centres provide local-level support, continuous staff training, and an integrated approach to professional guidance, employment, and entrepreneurship.

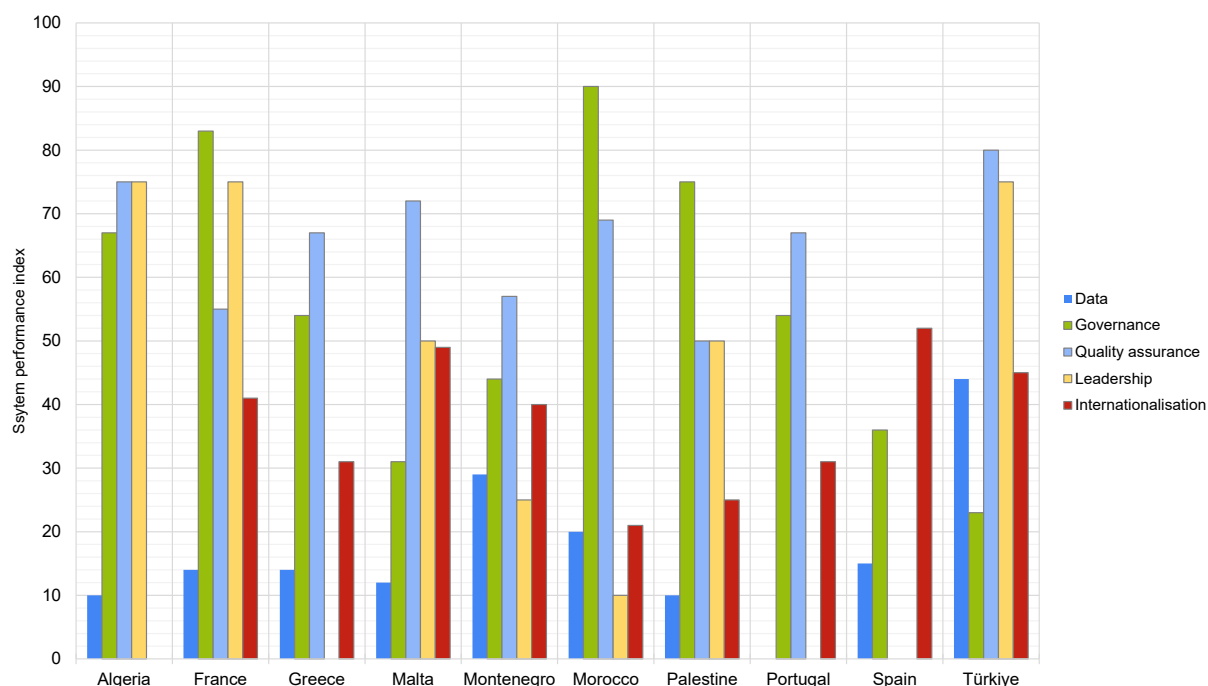
Dimension 3: System organisation

The **availability and use of data for planning purposes** remains uneven across countries. Türkiye reports more developed arrangements in this area (SPI of 44), while the planning processes in most other countries, including in Montenegro, Malta, France, and Greece, show more limited integration of data (SPIs below 30). In addition, in ETF partner countries in the UfM sample, data are not only limited in availability but also underused in supporting evidence-based decisions (Outcome C.1.1).

Stakeholder engagement in VET governance is more established in some countries than in others. France, Morocco, and Palestine have mechanisms in place to involve social partners and other stakeholders (SPIs of 83, 90, and 75 respectively). These results suggest relatively structured approaches to participatory governance. In contrast, stakeholder involvement appears somewhat more constrained in Malta, Spain, Montenegro, and Türkiye (Outcome C.1.2). In Portugal, the National Qualifications System (SNQ) brings together a number of actors - public agencies, social partners, NGOs, private providers, and others - in advisory and management bodies, such as the IEFP and Joint Management Centres (CGP), where they help define training plans and strategic priorities.

Most VET systems in the monitoring sample have robust **quality assurance and public accountability mechanisms** in place, although their strength and transparency vary (Outcome C.1.3). Algeria, Türkiye, Malta, and Greece report more developed arrangements, including internal evaluations and quality assurance standards (SPIs between 67 and 80). In Greece specifically, these arrangements include standardised national certification exams conducted by EOPPEP, which ensure consistent recognition of learning outcomes across IVET and CVET programmes. In other cases, such as France, Montenegro, and Palestine, quality assurance mechanisms exist, but their implementation may be less participatory or transparent, depending on the policy focus, strategic priorities, or system-level capacity.

Graph 26: Dimension 3: System performance in support of VET management and organisation, by country (2024, Outcomes C.1.1-C.1.5)



Source: ETF's Key Indicators on Education, Skills and Employment (KIESE) and the Torino Process database.

The **professional capacity of staff in leadership positions** – particularly school principals – varies across VET systems (Outcome C.1.4). In some countries, such as Algeria, France, and Türkiye, appointment procedures, leadership training, and development frameworks are in place. In others, including Malta and Palestine, the available arrangements are more limited, although Malta has reported recently strengthening its data collection, monitoring systems, and inter-institutional coordination. In Montenegro and Morocco, the monitoring results suggest that there is a need for stronger support to build and maintain leadership capacity across providers. In Greece, DYPA is making specific efforts to enhance professional capacity among school leaders and teachers. In Portugal, while principals hold significant authority, many schools also adopt shared management practices, involving other stakeholders in decision-making.

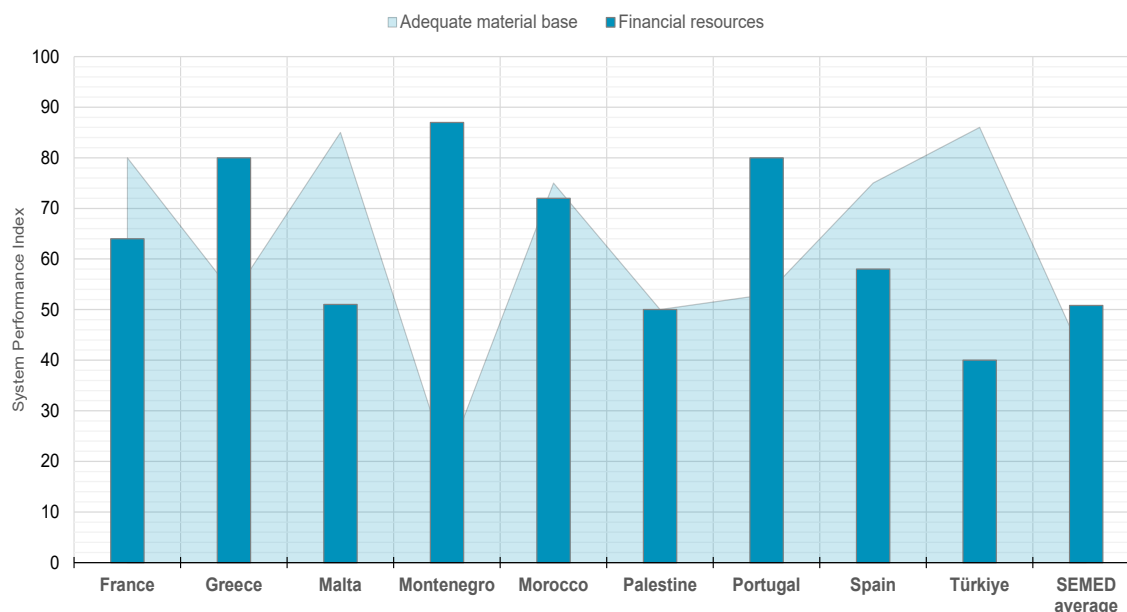
Internationalisation of VET, including activities such as staff and learner mobility, participation in international projects, and cooperation with partners abroad, is uneven across systems (Outcome C.1.5). In Türkiye, more structured initiatives are in place, including international study visits and dedicated vocational schools with a cross-border focus. Spain and Malta also report relatively active engagement, supported by both national frameworks and institutional practices. In France, Greece, and Portugal, the potential for internationalisation is recognised in policy, but overall participation remains more limited.

Many countries face challenges in **financing VET**, especially when it comes to reaching all learner groups and maintaining long-term support (Outcome C.2.1). In France and Greece, underfunding is reported as a major concern, affecting the ability to deliver consistent provision. In countries like Malta and Palestine, adult education receives comparatively limited funding, making it harder to sustain balanced support across different areas of the system.

The **availability and qualifications of human resources in VET** remains a concern in several countries (Outcome C.2.2). Montenegro and Palestine report more stable arrangements, while Morocco and Greece continue to face shortages and gaps in teacher training. France, Portugal, and Türkiye also experience difficulties with recruitment and retention, even in contexts where working conditions for teachers are favourable. Similarly, Greece has sought to stabilise staffing through DYPA's targeted recruitment and professional development initiatives, though persistent shortages

and uneven quality continue to pose challenges. e. In some cases, improvements in teacher qualifications are offset by local shortages or uneven staffing, which can limit the overall impact on learning quality.

Graph 27. Dimension 3: System performance in the area of human and financial resources in VET



Source: ETF's Key Indicators on Education, Skills and Employment (KIESE) and the Torino Process database.

In some VET systems in the monitoring sample, the **quality of infrastructure and learning materials** remains a barrier to effective teaching and learning (Outcome C.2.3). In Morocco and Palestine, concerns persist around the condition of facilities and the availability of up-to-date resources. Montenegro also reports challenges in this area. On the other hand, access to equipment and materials is more consistent in Malta, Türkiye, Spain, and France. In Greece and Portugal, core infrastructure is generally in place, though its quality may limit the ability to support more modern or hands-on learning. Greece has begun upgrading infrastructure and learning materials with support from RRF-funded programmes aimed at modernising school facilities, workshops, and training equipment, although improvements are still in progress and their impact is yet to be fully assessed. In Portugal, through the Recovery and Resilience Plan, 365 Specialised Technology Centres are being upgraded or created in key technological fields such as IT, digital, renewable energies, and advanced manufacturing.

In this context, it is interesting to observe the relationship between levels of funding and the adequacy of the material base for teaching and learning (Graph 27). The data suggests that more funding does not always result in stronger infrastructure or better resources – and vice versa. In fact, the relationship between the availability of financial resources and the quality of the material base for teaching and learning is not always linear.

Malta and Türkiye, for instance, report strong results in the area of infrastructure and learning materials, despite more modest scores on financial resources. This may suggest targeted investments or more effective use of available funds. Conversely, Montenegro records one of the highest scores in financial allocations, yet the monitoring results are below the average in terms of the adequacy of its material base. The results for Greece and Portugal show a similar, albeit less pronounced pattern. In France and Spain, on the other hand, the alignment between financial inputs and infrastructure quality is more aligned. Overall, across the volunteering UfM countries in Pillar 3, the average performance in ensuring an adequate material base is lower than that for the provision of financial resources in VET. This raises questions about the extent to which funding is effectively being translated into improved conditions for teaching and learning.

Box 9. Examples of good practices by countries under Dimension 3. System Organisation

Greece is reforming VET governance: Law 4763/2020 reformed the governance of VET by establishing national and regional councils (KSEEEK and SSPAE) responsible for monitoring labour market trends, aligning VET programmes, and adjusting the regional distribution of specialities.

Türkiye has established the **Profile-Based Counselling System** to enhance job and vocational consultancy services provided by İŞKUR. Approximately two million individuals received individual consultancy services in 2022.

4. CONCLUSIONS AND RECOMMENDATIONS

The 2021 Cross-country report showed that countries value and commit to monitoring of their policies for evidence-based policy making and sustainable reforms. In some countries, however, despite this commitment, data remain limited both in terms of their availability, accessibility and use.

Since 2021, all the UfM volunteering countries have enhanced their data collection efforts in this second monitoring exercise. Overall, many countries adopted new or updated policies to address and improve job creation, inclusive labour markets for workers and vulnerable groups, as well as fostering skills development and lifelong learning.

Insights from the 2021 report have informed this phase of monitoring, with countries building on the past achievements while addressing persistent gaps. Although progress towards continuous policy and labour market improvement is evident, the complexity of economic, social, and environmental challenges continues to grow, emphasising the need for cooperation, mutual learning and peer reviewing of policy responses.

In light of the findings presented in this cross-country report, the following recommendations consolidate efforts presented by the countries and aim to address existing gaps. They are structured around three key pillars and include cross-cutting recommendations across all three pillars aiming to enhance overall coherence between different pillars and impact of employment and labour market policies in the UfM volunteering countries, while acknowledging that implementation can vary depending on each country's specific context and available resources.

Pillar 1: More and Better Jobs

Dimension 1: Social Economy

A growing number of volunteering countries either have dedicated SE frameworks or are in the process of developing them. In line with the 2021 recommendations, some governments have introduced specific fiscal incentives aimed at supporting social economy actors and micro, small, and medium-sized enterprises. These initiatives have proven to be powerful avenues for inclusive job creation, especially for lower-qualified youth and women. However, formal definitions of SE remain incomplete in some contexts. In light of these findings, the UfM volunteering countries are encouraged to:

- **Consider formal adoption if countries still lack an explicit and comprehensive regulatory framework.** Clear legal criteria, combined with capacity-building for SE actors, could foster higher-quality entrepreneurship, stable job creation, and consistent data reporting. The absence of such a framework can hinder the growth of the SE sector, limit access to finance, and impede data collection and monitoring efforts.
- **Foster fiscal and other incentives** to further develop the SE sector as a way of supporting the integration of specific groups (e.g., youth and women employment). Efforts should also focus on promoting social economy as key drivers of economic reactivation, employability, and social inclusion. Targeted support measures can enable SE entities, such as cooperatives, mutuals, associations, and social enterprises, to scale their impact, formalise employment, and contribute more effectively to regional and local development.
- **Strengthen links between SE organisations and private sector** networks notably by supporting matchmaking mechanisms between SE entities and private companies, especially in key sectors like care, sustainable agriculture, tourism, and circular economy; incentivising co-investment schemes; promoting SE participation in supply chains through social clauses in public procurement and by recognising social impact as a criterion in tendering procedures; creating incubator and accelerator programmes co-managed by SE support organisations and business development agencies to foster innovation and skills etc.

Dimension 2: Entrepreneurship programmes

As in 2021, all volunteering countries present some entrepreneurship programmes. Many have strengthened or introduced start-up incentives, tax relief, or training programmes to foster small business growth. However, while some countries have robust monitoring and evaluation mechanisms, others are still in the early stages of systematically documenting outcomes. In light of these findings, the UfM volunteering countries are encouraged to:

- **Expand access to finance, mentoring, and training, particularly for vulnerable groups such as women, youth, and migrants** by promoting inclusive entrepreneurship and scaling up tailored financial instruments (e.g. microloans, guarantees, grants), mentoring schemes, and entrepreneurship training programmes. Special attention should be given to removing entry barriers for underrepresented groups, enabling them to start and sustain businesses with greater confidence and support. Informed decision-making support could be given about sectors with potential and orient investments.
- **Strengthen outcome evaluation by standardising data collection on start-up survival, revenue growth, and job creation** by introducing harmonised indicators and monitoring tools to track key performance metrics of start-ups. This includes collecting data on survival rates, turnover progression, and employment generation to better assess the effectiveness of entrepreneurship support schemes and inform future policy design.
- **Continue developing start-ups hubs (incubators)** that combine training activities with business incentives, such as start-up grants, to foster formal job creation. Support the expansion of integrated incubation models that provide not only physical space and advisory services, but also direct financial support and access to networks. These hubs should prioritise job creation in the formal economy and link start-ups with sectoral value chains and innovation ecosystems.
- **Integrate entrepreneurial learning as a key competence** across the education systems at all levels to further develop sound entrepreneurial skills (and re- and up-skill youth to be more entrepreneurial), emphasising creativity, problem-solving, risk-taking, and opportunity recognition. Lifelong learning systems should also offer re- and upskilling pathways to build entrepreneurial mindsets and competencies among youth and adults.
- **Continue UfM Youth Forum on inclusive entrepreneurial ecosystems** (e.g., in Finland). Sustain and institutionalise regional youth platforms like the UfM Youth Forum to facilitate dialogue, peer exchange, and capacity-building. These forums should focus on inclusive ecosystems, highlight youth-led innovation and entrepreneurship, and strengthen links with regional and international policy initiatives.

Dimension 3. Informal economy

Most UfM volunteering countries recognise the urgency of reducing the informal sector through updated legal frameworks, social dialogue, simplified administrative procedures, reinforced control mechanisms and sanctions. Despite remaining challenges, efforts to reduce informality and extend protections to vulnerable workers continue. An ongoing focus is on adopting tax and social security reforms that reward formalisation. In light of these findings, the UfM volunteering countries are encouraged to:

- **Reinforce incentives for businesses and workers to shift from the informal to the formal sector, while enhancing occupational safety and health (OSH).** Governments should adopt a comprehensive approach to formalisation by combining simplified administrative procedures with stronger incentives and safeguards. These may include targeted tax breaks, awareness-raising campaigns, enhanced labour inspections, and OSH compliance support. Additionally, formalisation efforts should be embedded within broader development-oriented policies that promote productive activities, decent job creation, entrepreneurship, innovation, skills development, and access to financial services. Strategic partnerships with local authorities, civil society, and employers remain crucial to ensure outreach, legitimacy, and sustainability of these reforms.

- **Adopt control, tax and social protection policies that promote job formalisation, grounded in specific social dialogue pacts.** Governments should implement coherent policies that combine labour inspections, fair taxation, and inclusive social protection schemes to incentivise formal employment. These measures should be supported by tripartite social dialogue pacts involving employers and workers' organisations, with a particular focus on high-risk sectors such as construction, agriculture, tourism and hospitality.
- **Promote and implement international labour standards through ILO convention ratification and quality job metrics.** UfM countries should strengthen their commitment to decent work by ratifying key ILO conventions and ensuring their effective enforcement across all sectors. Monitoring job quality should go beyond employment rates to include ILO-aligned indicators such as job security, wages, working conditions, and worker satisfaction. These metrics should be used to adjust national targets over time, ensuring that labour market reforms promote not just more jobs, but better jobs and quality job metrics.
- **Develop robust monitoring and evaluation (M&E) mechanisms** for data collection to improve and adapt policy measures applied to the informal sector and for measuring the effectiveness of policy measures implemented. This includes generating disaggregated and timely data on informal employment dynamics, mapping informal activities by sector, geography, and demographic groups, and assessing the impact of formalisation policies.

Pillar 2: Making Labour Markets more inclusive for workers and potentially vulnerable groups

Dimension 1: Youth Participation in the Labour Market

Many UfM volunteering countries report reductions in youth NEET rates, suggesting that targeted work-based learning (internships, apprenticeships, etc.), and youth employment measures yield positive results. However, high rates of inactivity persist in some countries, revealing limited job opportunities and skills mismatches, which lead to significant human capital losses and underutilisation of available talent. In light of these findings, the UfM volunteering countries are encouraged to:

- **Introduce or scale up coaching, apprenticeships, and first-employment support schemes.** In these efforts, local labour market relevance should be emphasised to ensure that vocational or academic studies lead to sustainable employment. This can include partnership with employers to co-design apprenticeship curricula and offer wage subsidies for first-time hires; develop local job-matching platforms; and deploy trained coaches in schools, VET centres, and employment services to support transitions into the labour market.
- **Continue targeted measures to increase the employability of NEETs and other vulnerable youth groups,** particularly within the framework of Youth Guarantee or similar implementation plans including regular monitoring and evaluation. The measures should focus particularly on prevention and root cause identification, but also reintegration into education, training, or the labour market.
- **Expand career development support systems,** by establishing comprehensive lifelong guidance and counselling mechanisms accessible to all, at every stage of life. Promote youth mobility to facilitate skills acquisition, capacity building, and cultural exchange.

Dimension 2: Women's Participation in the Labour Market

Several UfM volunteering countries show positive trends in women's labour force participation, driven by policies such as anti-discrimination legislation, family-friendly leave entitlements, and women's entrepreneurship programmes. Despite these efforts, barriers such as gender pay gaps and limited

childcare provision persist, indicating a need for ongoing and comprehensive policies²². In light of these findings, the UfM volunteering countries are encouraged to:

- **Continue implementing policies that address structural barriers**—childcare availability, adaptive working frameworks, and programmes focused on women’s entrepreneurship and access to technical skill-building. Regularly monitor gender-disaggregated outcomes to identify where additional support is needed. This can be done through expanding subsidised childcare facilities, especially in underserved areas; promote flexible and hybrid work models in labour legislation and collective agreements; launch technical upskilling and entrepreneurship programmes targeted at women; and establishing regular gender audits to track progress and guide policy adjustments.
- **Implement targeted measures for women returning to the labour market**, including re-entry programmes with fast-track upskilling in growth sectors (e.g. green, digital); offer returnship schemes and workplace reintegration coaching; apprenticeships, etc., that evolve in line with labour market demands. The implementation of these policies should be monitored and evaluated to measure their impact and adapt them when needed.
- **Develop or update concrete Action Plans for Conciliation of Work and Family Life**, with measurable goals and designing concrete policy measures for promoting equal pay, women’s access to top-management positions in both the private and public sectors. This can include setting national targets for women in leadership roles; enforcing pay transparency legislation; fostering gender diversity in public appointments; introducing parental leave schemes that encourage equal sharing; and fund awareness campaigns to shift workplace norms and reduce bias.

Dimension 3. Migrants' Participation in the Labour Market

UfM countries recognise the potential mutual benefits of safe, orderly, and regular migration while remaining committed to the employability of migrants and their social inclusion by emphasising language training, recognition of qualifications, and job placement services. Where data exist, they highlight both successes—such as increased employment rates among newcomers—and persistent barriers around limited mobility and cultural adaptation. In particular, programmes for refugees or returning migrants need stronger links to employers and the private sector to release their potential for inclusive growth. In light of these findings, the UfM volunteering countries are invited to reflect the implementation of the following potential recommendations and further discuss them:

- **Continue providing, skills and qualification recognition, work placement services for migrants and language training**, focusing primarily on sectors facing skill shortages. This could be done through dedicated integration programmes that combine sector-specific language courses, fast-tracked recognition of prior learning and qualifications, and employer-led placement initiatives in areas such as health care, construction, agriculture, or hospitality.
- **Include migrant employability in social dialogue arrangements**. Countries could learn from good-practice programmes, such as multi-stakeholder integration councils and targeted upskilling initiatives. This could be done through the formal inclusion of migrant issues in national labour and employment councils, the creation of local integration platforms involving employers and civil society, and the implementation of inclusive training programmes developed in collaboration with trade unions and business associations.
- **Promote incentives for the reintegration of migrants**, with a focus on recognition of skills and qualifications of immigrants, refugees and returning migrants, notably through tailored reintegration schemes offering access to skills certification, business start-up support, and bilateral return and reintegration agreements.
- **Strengthening regular labour mobility channels**, including pre-departure, linguistic and vocational training. These measures are essential for social cohesion, economic growth and security. This could be done through bilateral and regional mobility partnerships that include

²² See also ETF publication: [Gender dimension of labour market transitions | ETF](#)

structured pre-departure programmes, coordinated training pathways aligned with labour market needs in host countries, and mechanisms to ensure fair recruitment and decent working conditions.

Pillar 3: Preparing for work: skills and lifelong learning

Dimension 1: Access, Participation, and Opportunities for Lifelong Learning

While many UfM volunteering countries have strengthened continuing VET, adult learning, and alternative pathways, participation levels differ considerably. Countries with robust adult education systems generally show higher participation in skill upgrading, while low uptake in other countries may be due to funding constraints, insufficient outreach, or limited digital infrastructure. Labour market information systems and anticipation tools are increasingly recognised as key to bridging skills mismatches and guiding education reforms. In light of these findings, some pointers and recommendations include:

- **Improve the horizontal and vertical permeability** between different segments of the education and training system to enable smoother transitions, strengthen progression pathways, and enhance the overall attractiveness and accessibility of VET. This includes facilitating recognition of prior learning, credit transfer mechanisms, and the integration of vocational and academic tracks.
- **Expand adult education and training** in general, especially upskilling and reskilling to match labour market transformations, changing skills demand, new emerging competences and occupations, including digital and green skills, promoting an economy that works for people, especially youth, and secure gender equality in access, participation and education outcomes. Countries could offer more flexible, modular formats of learning programmes and recognition of prior learning validation of non-formal and informal Learning to widen participation among adults and vulnerable groups.
- **Strengthen collaboration with the private sector** by promoting the establishment and operationalisation of sector skills councils or similar public-private coordination bodies. These entities should play a key role in aligning training provision with labour market needs by contributing to curriculum design, ensuring the quality and relevance of work-based learning, and supporting continuous upskilling and reskilling initiatives.

Dimension 2. Quality of Lifelong Learning

Ensuring the relevance of training and the consistency of learning outcomes remains a priority across the UfM volunteering countries. Employers increasingly highlight the need for transversal skills, while governments are investing in modernising curricula to address technological, green and digital transitions. However, more systematic cooperation with private sector is needed to ensure training remains aligned with evolving labour market demands. Some pointers and recommendations include:

- **Continue developing frameworks that align curricula with labour market developments**, especially in emerging fields like advanced ICT and artificial intelligence (AI). Countries should also maintain rigorous standards for learning outcomes, teacher training, and provider accreditation.
- **Boost development for green and digital transitions** by encouraging modular, flexible qualifications relevant to emerging sectors and integrate transversal skills (e.g., digital literacy) across VET programmes and active labour market policies, including the integration of digital technologies and AI in employment strategies. Efforts should include participation in a coordinated approach in AI implementation in the region, such as the AI Mediterranean Forum.
- **Develop a lifelong learning culture** to expand learning opportunities and outcomes. This entails recognising learning outside education institutions, for instance in the workplace, online, or through social activities or any other non-formal settings.

Dimension 3. System Organisation

Governance capacity and resource allocation are critical to effective skills development. While some UfM volunteering countries report strong participatory governance by involving social partners, others may still need more inclusive dialogue. In light of these findings, the UfM volunteering countries are invited to:

- **Enhance multilevel and multi-stakeholders governance** by institutionalising the engagement of social partners at central, regional and local level, including employers, trade unions, and relevant civil society organisations, in the design, implementation, and monitoring of skills development policies and programmes.
- **Strengthen budgetary planning and execution** to ensure sustainable and strategic investment in VET systems, including teacher recruitment and retention, continuous professional development, and the modernisation of infrastructure and digital tools.
- **Diversify and increase financing for VET** by scaling up public budget allocations and actively engaging employers, the private sector, and local stakeholders in co-financing training initiatives, either directly or indirectly through various forms of work-based learning.

Overarching recommendations

The following cross-cutting recommendations build on findings across all three pillars and aim to enhance overall coherence and impact of employment and labour market policies in the UfM volunteering countries. They reflect the key trends, challenges, and opportunities identified through the cross-country analysis, and promote a more integrated, inclusive, and forward-looking policy approach. In light of these findings, the monitoring exercise concludes that the UfM volunteering countries are invited to:

- **Strengthen integrated approaches to tackle youth inactivity and NEETs**

Adopt holistic and coordinated approaches targeting young people not in employment, education or training (NEETs). This includes early identification mechanisms, personalised guidance, and expanded access to apprenticeships, employment and entrepreneurship pathways. These actions should draw inspiration from the EU Youth Guarantee model and be tailored to national and local contexts. This also includes the support to the initiatives such as the European Alliance for Apprenticeships.

- **Promote gender-responsive employment strategies**

Foster policies that reduce structural barriers to women's participation in the labour market, including expanded access to affordable child-care, targeted entrepreneurship incentives, flexible working arrangements, and reskilling opportunities in digital and green sectors. Attention should be given to promoting equal pay, quality jobs, and gender parity in leadership and decision-making roles.

- **Support transition from informal to formal employment in high-informality sectors.**

Implement pilot programmes in sectors with particularly high levels of informality, with a focus on youth and women. These pilots should test targeted measures such as simplified administrative processes, extension of social protection coverage, and fiscal incentives that make formalisation more attractive for workers and employers. Strengthen controls and sanctions to deter non-compliance, for example by increasing labour inspections, imposing fines for undeclared work, suspending business licences in cases of repeated violations, and leveraging tax audits to spot tax evasion. Peer learning across countries should be promoted to share best practices and lessons learned.

- **Reinforce frameworks for meaningful and inclusive social dialogue**

Strengthen national institutional frameworks that ensure the regular and effective participation of social partners, such as business support organisations, including youth and women's organisations, in the design, implementation, and monitoring of labour and employment policies. Social dialogue should be inclusive, continuous, and integrated into broader reform processes to ensure buy-in and sustainability.

- **Improve labour market monitoring and data systems**

Support the development and use of reliable, disaggregated labour market data to inform evidence-based policymaking, with particular emphasis on data accessibility and data sharing for researchers. National monitoring efforts should be reinforced through technical cooperation and capacity-building, particularly via the UfM Community of Practice on Monitoring, to facilitate peer learning, harmonisation, and shared progress tracking.

- **Reinforce data collection on people with disabilities**

Pillar 2 on Inclusive Labour Markets should be expanded to collect data on persons with disabilities, either as separate indicators throughout the three outlined dimensions, or as a separate dimension. This would ensure their full representation and support in labour market policies and promote equal opportunities through targeted measures that enable persons with disabilities to access the employment.

- **Boost social, green and digital entrepreneurship ecosystems**

Strengthen regional cooperation in support of inclusive entrepreneurship ecosystems, with particular emphasis on social, green and digital entrepreneurship, including traditional green sectors such as agriculture and rural skills. This includes developing enabling legal frameworks, promoting access to finance and social investment, fostering cross-border mobility of social entrepreneurs, and building business capacity through tailored technical support.

- **Invest in lifelong learning systems to support inclusive and future-proof skills development**

Promote inclusive and adapted lifelong learning frameworks that respond to evolving labour market needs, support upskilling and reskilling, and facilitate smooth school-to-work and work-to-work transitions. Lifelong learning should be supported by modernised education and training systems, quality assurance mechanisms, lifelong career guidance and counselling, national qualification frameworks and improved recognition of non-formal and informal learning, including through micro-credentials.

- **Promote regional cooperation and peer learning**

Facilitate structured regional peer learning through Communities of Practice, thematic networks, regional workshops, and conferences. These platforms should support systematic knowledge sharing, capacity-building, and coordinated action across borders, contributing to more coherent and impactful employment and labour market reforms. Examples of events include: promoting structural and sustainable socio-economic changes through initiatives such as the Transition to Employment Initiative (TEI), and UfM's Hub for Jobs, Trade, and Investment; maintaining and developing the UfM Community of Practice on monitoring, with a new cohort and an adopted monitoring chart; highlighting the role of the UfM Secretariat and UfM grant schemes in implementation; organising the UfM Forum on Social Dialogue in 2026, targeting social partners; launching the UfM Forum on Employment and Labour from 2026 onwards; developing the UfM Regional Platform on Employment and Labour, including a Roadmap for Action 2025–2028 for follow-up; holding the 7th Ministerial Meeting on Employment and Labour in 2028.

ACRONYMS

AI	Artificial Intelligence
ALMPs	Active Labour Market Policies
AMC	Arab Mediterranean Countries
ANGEM	L'Agence Nationale de Gestion du Microcrédit
BE	Belgium
CEDEFOP	European Centre for the Development of Vocational Training
CESE	Economic, Social and Environmental Council
CoP	Community of Practice
COVID-19	Coronavirus disease 2019
CPF	Personal Training Accounts
CVET	Continuing Vocational Education and Training
DCT	Data Collection Tool
DG EMPL	Directorate General for Employment and Social Affairs
DZ	Algeria
EL	Greece
EPAS	Vocational Apprenticeship Schools
ES	Spain
ETF	European Training Foundation
EU	European Union
FR	France
GDP	Gross Domestic Product
ICT	Information and Communication Technology
IL	Israel
ILO	International Labour Organization
IVET	Initial Vocational Education and Training
MA	Morocco

MACAST	The Malta College of Arts, Science and Technology
ME	Montenegro
MT	Malta
NEET	Not in employment, education, and training
OSH	Occupational Safety and Health
PIAAC	Program for the International Assessment of Adult Competencies
PISA	Programme for International Student Assessment
PPMI	Part of Verian group
PS	Palestine
PT	Portugal
R&D	Research and Development
RPEL	Regional Platform on Employment and Labour
SE	Social Economy
SNIA	Stratégie Nationale d'Immigration et d'Asile
SNMPI	Stratégie Nationale de Mobilité Professionnelle Internationale
SPI	System Performance Indicator
STEM	Science, technology, engineering and mathematics
TN	Tunisia
TR	Turkey
TURKSTAT	Turkish Statistical Institute
TVET	Technical and Vocational Education and Training
UfM	Union for the Mediterranean
UfM MS	Union for the Mediterranean Member States
UNDP	United Nations Development Programme
UNESCO	United Nations Educational, Scientific and Cultural Organization
VET	Vocational Education and Training
VNFIL	Validation of Non-formal and Informal Learning

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